

Alloa Campus, Boardroom 4.30pm (refreshments available from 4.00pm)

AGENDA

	Type	Lead
1 Apologies and Declarations of interest	Discussion	Ross Martin
2 Minutes and Matters Arising of Meeting of 28 March 2019 (Elements of paper 2 are withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Approval	Ross Martin
3 Minutes of Committee Meetings HR Committee – 25 April 2019 Audit Committee – 23 May 2019 Falkirk Campus Project Board – 28 May 2019 Learning & Student Experience – 30 May 2019 Finance Committee – 18 June 2019	Noting Noting Noting Noting Noting	Beth Hamilton Lorna Dougal Ken Richardson Anne Mearns Liam McCabe
4 Principal's Report (Elements of paper 4 are withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Discussion	Ken Thomson
5 Student Association Report (Elements of paper 5 are withheld from publication on the Forth Valley College website under Section 38 Personal Information of the Freedom of Information (Scotland) Act 2002.)	Discussion	Liam Williams
STRATEGIC PLAN IMPLEMENTATION		
6 Outcome Agreement 2019/20 (Elements of paper 6 are withheld from publication on the Forth Valley College website under Section 25 Information Otherwise Accessible of the Freedom of Information (Scotland) Act 2002 - https://www.forthvalley.ac.uk/about-us/)	Approval	David Allison
7 Budget 2019-20 (Elements of paper 7 are withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Approval	Senga McKerr
8 Forth Valley College Foundation - Annual Plan	Approval	David Allison
OPERATIONAL OVERSIGHT		
9 Operational Plan 2019/20	Approval	Ken Thomson

27 June 2019

BOARD OF MANAGEMENT

- | | | | |
|----|--|------------|---------------|
| 10 | Employers Association/National Bargaining (Verbal) | Update | Andrew Lawson |
| 11 | Staff Cultural Survey | Discussion | Ralph Burns |

GOVERNANCE

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|----|--|------------|-------------|
| 12 | Honorary Fellowship Nominations | Approval | Ken Thomson |
| 13 | Board Residential 29 – 30 August 19 (Verbal) | Update | Ross Martin |
| 14 | Audit Scotland Report – Scotland’s Colleges 2019 | Discussion | Ken Thomson |
| 15 | Review of Risk | Discussion | All |
| 16 | Any other competent business | Discussion | All |

FOR INFORMATION

Board Engagement Calendar
Fundraising Activity 2018/19

(This paper is withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)

Good practice note on improving the quality of college annual report and accounts

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Stirling Campus (Commencing at 4.30pm)

Present: Mr Ross Martin (Chair)
Dr Ken Thomson
Mrs Fiona Campbell
Mrs Trudi Craggs
Mrs Lorna Dougall
Mr Davie Flynn
Mr Lindsay Graham
Ms Beth Hamilton
Mr Ken Richardson
Mr Steven Tolson

Apologies: Mrs Anne Mearns (Vice Chair)
Mr Colin Alexander
Mr Andrew Carver
Mrs Pamela Duncan
Mr Liam McCabe
Mr Liam Williams

In Attendance: Mr Andrew Lawson, Depute Principal and Chief Operating Officer (DPCOO)
Mrs Fiona Brown, Vice Principal Learning and Quality (VPLQ)
Mr David Allison, Vice Principal Information Systems and Communications (VPISC)
Mrs Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Mr Steven Torrie, Co-opted Member
Mr Stephen Jarvie, Corporate Governance and Planning Officer and Deputy Board Secretary
Mrs Mhairi Shillinglaw, Head of Equalities, Inclusion and Learning Services (HEILS) for item B/18/049 only
Mrs Claire Shiels, Assistant Director of Estates (ADE) for B/18/050 only

B/18/044 Apologies and Declarations of interest

The apologies were noted and no declarations of interest were made

B/18/045 Minutes and Matters Arising of Meeting of 7 February 2019

The Corporate Governance and Planning Officer highlighted that there was an error in the timing of the last meeting recorded on the minute.

The minutes of the meeting of 7 February 2019 were approved subject to the highlighted amendment.

NUS Scotland Awards

Mr Lindsay Graham, Forth Valley Student Association Vice President (FVSAVP), informed members that the FVSA had been nominated for two awards but had unfortunately not won in these categories.

The Chair noted that being nominated was still fantastic and expressed the congratulations of the Board on the ongoing work of the FVSA.

The FVSAVP noted that the President was not in attendance at the Board meeting as he was representing the FVSA at the SPARQS awards, where the FVSA has also been nominated for a number of awards, including class representative of the year.

CITB

Following the discussions at the last meeting of the Board of Management, the Principal provided members with an update on progress on discussions between Colleges Scotland and CITB.

EIS FELA Strike Action

The Chair informed members that shortly before the meeting commenced, EIS FELA announced the results of their recent ballot on action short of a strike. He informed members that this ballot had been passed.

B/18/046

Minutes of Committee Meetings

Learning & Student Experience – 21 February 2019

Lorna Dougall informed members that Sue Cook, Vice Principal at West Lothian College had been in attendance at the meeting as an observer.

Fiona Campbell noted that there had been discussions on the new professional standards for lecturers and which aspects of this should be considered at this committee and which at the HR Committee.

Falkirk Campus Project Board – 26 February 2019

The Committee Chair noted that the minute in the papers had been for the February meeting and that the March meeting had occurred that week. He provided members with an overview of progress on the project.

He highlighted that there were delays in the programme but that the contractor was looking into how to best mitigate this and would be feeding this back to him. He provided an overview of the reasons for the delays to members.

He also highlighted to members that the College was in the positive position of having a significant portion of the contingency funds left with the project 75% completed.

The Chair informed members that he had been in attendance at the week's meeting and that he thought the Committee Chair and members had the right approach to the delays which was ensuring the contractor keeps on top of the delays but also noting that the recovery would not be permitted to impact on the quality of the building.

The Committee Chair also highlighted that the remaining issue relating to the land sale has been removed and the sale would proceed. He also informed members that the College had appointed a moves contractor for the campus migration.

The Chair noted that tours for staff members had been offered and all slots had been booked already.

The Principal noted that a tour would also be arranged for the Board of Management in due course.

B/18/047

Principal's Report

The Principal presented an update on his activities noting that, even though it had only been six weeks since the last meeting, there had been a significant amount of activity.

He highlighted the work of the Business Development team in recruiting Modern Apprentices (MA's) and noted this year had our biggest intake of female engineering MA's to date.

He reported that the Scottish Government had recognised this, with the First Minister visiting the campus to meet with these MA's to launch a new schools ambassador programme.

He updated members on the work undertaken to date by Senior Managers to identify the savings necessary to meet the budget and also provided an update on ongoing strike action as a result of the national bargaining process.

He also highlighted a potential new route for significant work with a major engineering company looking to move to the area and outlined a recent meeting between Senior Management at the College and Fife College with the engineering company's executive team.

The Student Association Vice President noted that FVSA were keen to engage with MA students to ensure they engage fully with the College and student population.

Members requested further information on addressing the budget, querying whether this was going to be through savings only or if there would be growth in areas to increase income.

The Principal confirmed that growth was definitely a factor and that the Directors are pursuing this. He indicated that further information would be brought to the Board once this information was more fully developed.

He indicated that this may be through calling an extraordinary Board meeting to look at the options.

a) Members noted the content of the paper

B/18/048 Student Association Report

The Forth Valley Student Association (FVSA) Vice President presented members with an update on the activities of the association since the last meeting.

He highlighted a new initiative whereby students in financial difficulties, as identified by the Student Funding team, can come to the FVSA for free stationary and other materials to support their learning.

The Chair noted that this seemed like a unique approach and that sponsorship may be worth looking into to both expand this and make it sustainable.

The Vice President confirmed to members that the Student Mental Health Agreement had been formally launched.

He also reported that the Student President and Vice President election process for next year would be going live soon.

a) Members noted the content of the report

STRATEGIC PLAN IMPLEMENTATION

B/18/049 Public Sector Equality Duty (PSED) Interim Reporting 2019

Mhairi Shillinglaw, Head of Equalities, Inclusion and Learning Services (HEILS) presented the PSED report for members consideration and approval to publish the report on the College website.

She reported that the College was half way through a 4-year reporting cycle for equalities legislation and that there was a requirement to publish the report attached to the paper by the end of April to meet the duty.

She reported that the College was meeting its requirements in relation to the duty. She also touched on recent developments at a sector and national level with several additional requirements in relation to equalities from Scottish Funding Council and Scottish Government, which the College had also implemented.

Members commended the HEILS and her team for producing a comprehensive report and recognised the amount of work that went into producing the report. They queried whether there would be a summery document to accompany the report.

The HEILS confirmed that an explanatory infographic was being designed for this.

Members noted that the report listed some of the factors limiting success as the same as the previous report and queried what can be done to overcome this.

The HEILS acknowledged that there were still challenges but that the College was looking to address these through further embedding of qualities throughout the organisation and she reported that she was working directly with departments to achieve this.

The Chair queried what the whether the student experience matched up with the information in the report.

The FVSA Vice Principal confirmed that the College had a diverse student body, that the FVSA worked closely with the HEILS team and that, overall, the College was a welcoming environment for all.

The Chair noted the recent focus on gender awareness and labelling and queried how the College was addressing this.

The HEILS confirmed that, while gender related terminology was undergoing change at this time, materials were either being adapted or created to support this.

a) The PSED report was approved for publication

B/18/050 Falkirk Campus Project Report

Claire Shiels, Assistant Director of Estates (ADE), presented members with a paper seeking approval for the sale of the existing Falkirk Campus site.

She noted that the Board had been previously informed that the College had sought offers for the existing Falkirk land and a preferred bidder had been selected.

She reported that work had been ongoing to agree the missives for the sale and outlined the main points of the deal and the issues that had been clarified to reach this point.

She confirmed that the value offered for the land exceeded the amount assumed in the full business case financial model for the new campus.

The Chair of the Falkirk Campus Project Board confirmed to members that the sale had been considered by them and that they backed the approval of the paper.

a) Members approved the sale of the existing Falkirk campus as laid out in the paper

B/18/051 Core Project in RAK

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[REDACTED]

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- [REDACTED]

B/18/052 SFC Indicative Allocations 2019/20

The VPFAA presented members with the indicative allocation from SFC which had been published at the end of February. She noted that the flat cash allocation for grant in aid was expected but that, combined with another 3% efficiency expectation from Scottish Government, increasing costs and an increase in lecturer pension contributions, resulted in more costs to be absorbed.

She highlighted the concerns the College had with the low capital and maintenance grant which had reduced significantly, and which also has to be used to fund the loan payments for the Stirling campus.

She confirmed a paper would be brought to Finance Committee on what capital and maintenance works could be financed in the coming year.

Members noted that this matter should also be taken up with SFC as failing to maintain the College estate, especially as it is newer estate, is not a sensible option.

Members recommended using the known lifecycle costs of the new estates to support the requirement for regular maintenance.

Members queried whether some of the proceeds from the sale of the existing Falkirk site could be used to support capital and maintenance works. The VPFACA noted that the majority of this was already allocated to the costs of the new Falkirk campus and that the additional amounts would be used to support the move of the Westfield rig to the new campus.

- a) Members noted the content of the report and agreed that SFC should be approached in relation to capital and maintenance funding

OPERATIONAL OVERSIGHT

B/18/053 2017-2018 Sector and College Performance

The VPISC presented a paper comparing the performance of the College against the sector for a number of PI's and the Evaluative Report and Enhancement Plan (EREP).

For the EREPs, she noted that the grades were recommended by each College but had to be agreed by SFC and Education Scotland. Comparing the sector, the College and four other colleges had the best grades.

He noted, for student PI's, the College was performing well in all areas except for Full Time HR Courses, where the College matched the sector average.

He reported that the College had the highest success rates for students from deprived postcodes, who were care experienced, or who had a disability.

- a) Members noted the content of the report

B/18/054 Employers Association/National Bargaining

The VPCOO presented an update on the national bargaining process. He noted that the information in the paper was correct at the time of writing but that the negotiations with the lecturer's union meant that the figures were constantly changing as the employer's association and union tried to reach an agreement.

He also reported that EIS FELA members had that day voted to take additional action short of a strike and it had been reported that they intend to refuse to result students on College systems. He informed members that legal advice received by Colleges Scotland says that this would be a breach of contract on their part.

He outlined other actions that could potentially be taken and noted that the College would seek to mitigate any impact where possible.

The FVSA Vice President noted that they were concerned with the impact on students, especially as we are approaching exam time.

The Principal confirmed that the College would continue to communicate with students as more information became known. He also confirmed that the College's expectations and supporting legal advice would be shared with the lecturing staff.

a) Members noted the content of the report

GOVERNANCE

B/18/055 Outcome of consultation on College Governance

The VPFACA presented members with the Scottish Government's recommendations resulting from a consultation into College governance.

She noted that the key recommendations which would apply to the College were the appointment of two trade union member places on the Board of Management and that Scottish Ministers will have the power to suspend Board Members.

a) Members noted the content of the report

B/18/056 Review of Risk

Risks were identified on the covering papers.

B/18/057 Any other competent business

The DPCOO informed members that the College HR Team had been shortlisted for the HR team of the year award at the S1Jobs awards.

Room S1.03, Stirling Campus (commencing at 4.30pm)

Present: Mrs Beth Hamilton (Chair)
Mrs Fiona Campbell
Mrs Trudi Craggs via speakerphone until H/18/017
Mr Davie Flynn
Mrs Anne Mearns

Apologies: Mr Colin Alexander

In Attendance: Mrs Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Mr Ralph Burns, Head of Human Resources (HHR)
Mr Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)
Ms Jennifer Nisbet, Learning & Development Officer, for item H/18/014 only
Mr Marc McCusker, Head of Facilities Management and Health and Safety (HFM) for items H/18/016 only

H/18/011 Declarations of Interest

None

H/18/012 Minutes of meeting held on 25 October 2018

Members approved the minutes, subject to the correction of a typo in the date on the document.

H/18/013 Matters arising

a) H/18/004 Equalities Policy

The Chair noted that members had requested some text changes to this policy and that the College confirmed that these had been done.

b) H/18/005 Five Year Plan for the People Strategy

The Chair noted that members had requested information on College events where the Board could participate. A register has been completed and is a standing item on the Board of Management agenda.

c) H/18/006 Health and Safety Report

Members had requested information on first aid in the College. This has been included in the Health and Safety paper being presented to the Committee.

H/18/014 Employee Mental Wellbeing Learning & Development Framework

Jennifer Nisbet, Learning and Development Officer (LDO), presented a paper seeking approval for the proposed learning framework to support staff development in mental health.

She noted that the proposed framework has been designed to complement the aim of the People Strategy and open up dialogue on mental health.

She informed members that wellbeing champions would be recruited from the staff and that they would have the ability to take the framework forward.

Members queried whether training undertaken by staff would be recognised.

The LDO confirmed that the College would recognise this as staff CPD.

Members raised the issue of ensuring coherent mental health support for staff and students.

The LDO confirmed that a College wide mental health strategy was being developed to ensure all aspects of provision work together.

Members queried the impact of workloads on staff volunteering to be champions. The HHR confirmed that it was normal for staff undertaking such activities to be allocated time to do so.

Members welcomed this additional commitment to supporting mental health, commending the College on the comprehensive approach to this topic.

a) Members approved the framework

H/18/015 Equal Pay Audit

The HHR presented members with the recently completed equal pay audit and requested that they review and accept the recommended actions. He noted that this audit is done every 2 years and that the latest audit had made some recommendations in relation to scale points in the existing system.

He outlined the potential impact of the scale points and the recommended solution to address this. He highlighted that the changes did not have a cost to the College at this time and that, with national job evaluation commencing for support staff, this would be overtaken in due course. He provided members with an overview of the national job evaluation process which would commence shortly for all support staff in the sector.

a) Following discussion, members approved the implementation of the recommendations in the report

H/18/016 Health and Safety Update

The HFM presented members with the latest edition of the health and safety newsletter.

He noted that members had requested more information on the experiences of first aiders in the College and that there was a brief interview with a College first aider included in the newsletter.

He highlighted that the accident and incident figures had gone up and outlined that the trends for this had been identified and additional training, as well as supplementary equipment, had been provided which has reduced the number of incidents.

Members queried the rise in medical figures and asked whether this was a result of students feeling more confident to disclose. The HFM noted it was this combined with a comprehensive record keeping from the first aiders.

Members queried how this information is conveyed to senior management. The HFM noted that there was a College Health and Safety committee which is attended by the Depute Principal and Chief Operating Officer who feeds into SMT.

a) Members noted the content of the report

Trudi Craggs left the meeting at this point.

H/18/017 People Strategy Update

The HHR provided members with an update on progress with the People Strategy to date.

Members noted that the update was useful but requested that a dashboard or some other method of showing overall progress against targets within the Strategy would be welcomed. They also noted it would be useful to highlight areas where the Board could help the College or become more engaged with the staff.

The HHR agreed to include this in the next update.

a) Members noted the content of the report

H/18/018 Staff Development – February 2019 (Verbal)

The HHR provided members with an overview of the annual support staff development day which occurred in February. He informed members that the focus of the day had been on health and wellbeing.

He noted that this had been well received by staff, with mini events in the morning and a 'marketplace' in the hall in the afternoon with stalls run by both staff and external vendors.

a) Members noted the content of the update and welcomed the focus on staff health and wellbeing

H/18/019 Review of Risk

Members requested that the Job Evaluation process be added to the risk register as there was a risk this could impact on staff morale.

H/18/020 Any Other Competent Business

The VPFACA provided members with an update on discussions to date between EIS and College's Scotland. She noted that the upcoming strike days were anticipated to go ahead and that EIS were also moving towards action short of a strike. She informed members that there had been indications that this would include a removal of good will and a refusal to enter students results into College MIS systems.

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Boardroom, Falkirk Campus (commencing at 5.30pm)

Present: Mrs Lorna Dougall (Chair)
Mrs Pamela Duncan
Mr Lindsay Graham (Forth Valley Student Association Vice President) (FVSAVP)
Mr Steven Torrie (Co-opted Member)
Mrs Mandy Wright (Co-opted Member)

In Attendance: Mrs Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Mr Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)
Ms Claire Beattie, Scott Moncrieff (exited for item A/18/038)
Ms Olga Potapova, Ernst & Young

The Chair welcomed Mandy Wright and Olga Potapova to their first meeting of the Committee.

A/18/025 Declarations of Interest

None

A/18/026 Apologies for Absence

Mrs Beth Hamilton

A/18/027 Minute of Meeting of 4 December 2018

The minutes of the Meeting of 4 December 2018 were approved as an accurate record, subject to a minor date change.

A/18/028 Matters Arising

None

A/18/029 External Audit Plan

Olga Potapova, Ernst and Young, presented members with the draft plan for consideration and approval.

She outlined the major areas to be covered in the audit and highlighted the addition of reviews into the implementation of the National Fraud Initiative and the College's preparations for the EU exit.

Members queried the frequency of the valuations for land and buildings, noting that the plan referred to an interim valuation. The VPFACA outlined the standard process noting that a full evaluation is conducted every five years, with interim valuations in between these dates.

a) Members approved the External Audit Plan

A/18/030 Presentation of Internal Audit Reports

Claire Beattie, Scott Moncrieff, presented members with three audit reports.

People Strategy

She noted that this audit had looked into the implementation of the College's People Strategy.

She confirmed that this was overall a very positive report with areas of good practice identified and only minor recommendations made.

Mental Health Services

She reported that this audit had looked at the provision of mental health services within the College and that the report was a positive one, demonstrating that the arrangements in place were operating effectively. She informed members that three areas for improvement had been identified and provided details on each.

The FVSAVP noted that the Student Association had put in place a Student mental health agreement which supports this activity.

Members discussed the growing instances of requests for support for mental health and requested that the College ensure appropriate training is in place for staff.

The VPFACA confirmed that this would be an aspect of the College's Mental Health and Wellbeing Strategy which was under development.

Project management

Claire Beattie reported that this audit had been arranged to look at the overall project management within the College for the new Falkirk campus following key staff changes. She informed members that the report was very positive, with no recommendations made.

Members noted that this was a very positive report and should be presented to the Falkirk Campus Project Board.

a) Members noted the content of the reports

A/18/031 2018/19 Internal Audit Plan Progress Report

Claire Beattie, Scott Moncrieff, provided members with an update on progress against the plan to date. She confirmed five audits had been completed, with one in progress at this time, and that arrangements were in place for completion of the annual report to present to the next Committee meeting.

a) Members noted the content of the report

A/18/032 Progress Report on Audit Recommendations

The CGPO presented members with an update on audit recommendations within the College. He noted that there were three recommendations on the register currently, with one being completed and two requesting extensions to their completion dates.

Members noted that the small number of live recommendations was a good position to be in but that the College should not get complacent in relation to this.

The VPFACA confirmed that there was a robust process in place, with recommendations only being signed off when there was evidence to support this.

a) Members noted the content of the report

A/18/033 National Fraud Initiative 2018/19

The VPFACA presented a paper on the National Fraud Initiative (NFI) which supports public sector organisations to identify areas of potential fraud. She highlighted that this involved reviews of both payroll and purchase ledger information which is then compared against other public sector organisations.

She informed members that the College had recently received the first report from NFI which has identified 15 potential matches in relation to payroll information. She noted that this was not unusual as some staff work for more than one organisation and informed members that these matches were being investigated to confirm this position.

She noted that the outputs of this will be provided to the College's external auditors and that a further report would be brought to the next meeting of the Committee.

Members welcomed the intention to bring a report on the NFI and indicated that it would be useful, if possible, for the report to give a sense of the volume of matches for the College compared against other colleges, as this would allow members to gauge how the College is performing.

Members queried what the impact of this additional work on the Finance team had been, noting previous discussions on their workload. The VPFACA confirmed that,

while this had not had a significant impact, it was yet another exercise that the team had to conduct.

The VPFAA noted that the NFI checklist should have accompanied the papers to members and confirmed that this would be circulated to members by email.

a) Members noted the content of the report

A/18/034 Scottish Government Audit & Assurance Committee Handbook 2018

The VPFAA presented the handbook for member's consideration noting that, while it was written for the whole public sector and therefore some of it did not apply to the College, there were still useful elements for members to consider.

She highlighted a review of the handbook had been undertaken and actions that the College should take forward were included in the paper.

Members noted that the handbook contained useful information, particularly for newer members on the Committee.

The Chair indicated that, following a review of the document, she felt that the current meeting frequency of the Committee should be discussed.

Following discussion, it was agreed that an additional meeting would be added on 5 September 2019.

The Chair also noted that there was a self assessment checklist for the Committee. Following discussion, it was agreed that the Chair and VPFAA would review this along with Beth Hamilton and feedback to the Committee in September.

Members also discussed the availability of additional training. The VPFAA confirmed that CDN offered training for Audit members and that the CPGO would check further into this and communicate back to members.

a) Members noted the content of the paper

A/18/035 Risk Management

The VPFAA presented members with the current Strategic Risk Register. She noted that the HR Committee had asked for a risk to be added in terms of the support staff job evaluation process and its potential impact on staffing and morale.

Pamela Duncan informed members that she was leading in this process for the College and provided members with an update on the process and its intended outcomes.

a) Members noted the content of the report

A/18/036 Review of Risk

None

A/18/037 Any Other Competent Business

None

A/18/038 Internal Auditor Appointment

The VPFACA presented a paper seeking approval for the appointment of MHA Henderson Loggie as the College internal auditors from 1 August onwards.

She reported on the tendering activity for this service and the assessment of tenders which had involved the Chair of the Audit Committee.

She confirmed that Scott Moncrieff, the current internal auditors, has scored as highly as the recommended company but that the price for the service quoted by MHA Henderson Loggie secured them the recommendation.

a) Members approved the appointment of MHA Henderson Loggie

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Falkirk Campus (4.30pm)

Present: Steven Tolson Forth Valley College Board Member
Ken Thomson Principal
David Allison Vice Principal Information Systems and Communications (VPISC)
Alison Stewart Vice Principal Finance and Corporate Affairs (VPFCA)
Paul Dodd Scottish Futures Trust
David Logue Falkirk Campus Project Director (FCPD)
Claire Shiels Assistant Director of Estates Development (ADED)

Apologies: Ken Richardson Forth Valley College Board Member (Chair)
Colin Alexander Forth Valley College Board Member
Andrew Lawson Depute Principal and Chief Operating Officer
Martin Kirkwood Scottish Funding Council
Alison Meldrum Scottish Funding Council

In attendance: Daniel Lockwood AECOM
Trevor Stone AECOM
Lyndsay Condie Head of Communications and Marketing (HCM)
Stephen Jarvie Corporate Governance and Planning Officer (CGPO)

In the absence of the Chair, David Logue chaired the meeting.

FC/18/042 Apologies for Absence

The apologies were noted.

FC/18/043 Declarations of Interest

None.

FC/18/044 Draft Minutes of Meeting of 23 April 2019

The Minutes of the meeting of 23 April 2019 were approved.

FC/18/045 Matters Arising

a) FC/18/041 - Any other competent business – Update on Rig Move

The ADED informed members that the costs for the move had been received and were being verified by AECOM CM. Balfour Beatty have been instructed to move forward with appointment of the subcontractor who will dismantle, transport and reassemble the rig. She noted that Willie Munnoch will be the College lead on this project.

The Principal noted that the rig has a potential for a second level to be added and that the College were looking into how this could be funded.

Members queried whether this would impact on the larger contract and its completion. The ADED confirmed that this was not the case.

FC/18/046 Project Managers Report

Daniel Lockwood, AECOM, presented the latest project managers report.

He informed members that the Balfour Beatty (BB) recovery programme had been reviewed and accepted and that the new completion date was 15 November 2019.

He informed members that, since acceptance of the date, BB had reported a further 5 days of slippage owing to sub-contractor issues. He noted that BB had implemented meetings with each sub-contractor to address this and that AECOM were monitoring progress via fortnightly site visits.

The FCPD noted that, along with the Principal, he had met with the Managing Director of BB and that the critical need to meet the 15 November deadline had been reiterated. He reported that the Managing Director appreciated the concerns and was confident that this date would be met.

Mr Lockwood informed members that the cashflow projections were not aligned to the revised programme but that this is being reviewed.

He informed members that the soft landings meeting were progressing.

He noted that members had expressed concerns at the previous meeting regarding the BREEAM assessment progress and informed members that the majority of client team actions were now completed in relation to this, with the remaining actions being BB actions.

Members noted that the progress report referred to options for access to the site and cautioned that a phased handover had the potential to cause issues with the completion date.

The FCPD confirmed that, while this had been looked at, a clean handover was planned for 15 November. Any activity before this would relate to specific projects which were still under BB control such as the rig move.

The Principal updated members on the proposed dates for moving staff and students to the new campus.

Members queried the budget analysis and the variances being shown. The ADED noted that these variances against the original budget reflect the move from NPD to capital funding for the project.

The ADED informed members on progress with FF&E procurement, noting that the tender for £1m of furniture had been issued that day.

The FCPD updated members on the sale of the existing site and discussions which had occurred with SFC on the funding over and above the DP4 value secured for the site. He informed members that SFC were not allowing the College to retain this additional amount until all ALF funding is utilised.

The Principal noted that there were costs that had not been in the DP4 such as the rig move that need to be funded.

The VPFA also noted that the DP4 had assumed a maintenance funding level of £1m per year but the College was only receiving £400k. SFC had agreed at DP4 to manage lifecycle maintenance but this was not coming through at this time.

The FCPD also noted that the switch from NPD to capital disadvantaged the College compared to other recent College builds as the maintenance was built into the funding provided by SFC.

The Principal informed members that he would arrange a meeting with SFC to put forward these points and he would feedback to the Committee.

a) Members noted the content of the report

FC/18/047

Any other competent business

The HCM informed members that staff tours of the site had commenced in April and the feedback being received was being used to update the FAQ's for staff.

She also noted that the latest communications newsletter had been sent to 2,500 local residents.

The CGPO discussed additional meeting dates for the Committee. It was agreed to continue with the existing model of the last Tuesday in the month until the project was completed.

Room 73, Falkirk Campus (commencing at 4.30pm)

Present: Mrs Anne Mearns (Chair)
Mrs Fiona Campbell
Mr Steven Tolson

Apologies: Mr Liam Williams (Forth Valley Student Association President)
Mrs Lorna Dougall

In Attendance: Dr Ken Thomson, Principal
Mr David Allison, Vice Principal Information Systems and Communications (VPISC)
Mrs Fiona Brown, Vice Principal Learning and Quality (VPLQ)
Mrs Mhairi Shillinglaw, Head of Equalities, Inclusion & Learning Services (HEILS)
Mr Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)
Mrs Jeanette McCulloch, Operations Manager Care Sport & Construction (OMCSC)

The Chair noted that the meeting was not quorate and, as such, the approval items would be covered for discussion and that the minute of 21 February 2019 would be ratified at the next meeting.

Pilot Rooms

The Chair highlighted that the meeting was being in one of the pilot rooms which was designed to test the potential layout, furniture and equipment for the new Falkirk Campus.

The VPLQ informed members that the classroom had been designed to support collaborative learning, with furniture which was designed to be easily moved to reconfigure the room to meet the needs of each class.

She informed members of the feedback received regarding the room, noting it had been largely positive and that, where negative feedback had been received, this had been reviewed and used to inform the final design of the rooms for the new campus.

The VPISC highlighted the laptop station in the room which provided resources that students can use. He also highlighted that the main classroom display was both mobile and able to connect wirelessly to the lecturer's equipment to enhance the flexibility of the room.

Members noted the content of the room and expressed support for the intention to add more colour to the new campus.

Demonstration of Student Support System (SSS)

The HEILS attended the meeting to demonstrate the new SSS system which had been developed in house to support students.

She highlighted that, under the current system, students with support needs can sometimes need to disclose this a number of times as they can engage with both lecturing staff and a variety of support services in the College.

The new system enables the student to only have to declare the information once as staff will be able to see a notification of this on their record.

She noted that the system was also designed to capture qualitative information rather than the traditional quantitative information. Staff have the ability to update the student's record as they engage with them throughout their time at the College.

She provided members with a demonstration of an example student and the utility of the new system.

Members queried how students who declare support needs are prioritised. The HEILS informed members that prioritisation was conducted by specialist College staff.

Members queried whether students would be informed that this information is being collated. The HEILS confirmed that this would be the case and also that the entire SSS would be undergoing a GDPR impact assessment the following day.

Members queried whether the system would alert staff if there were issues regarding any students. The VPISC noted that there is currently a system in place which provides weekly reports to Curriculum Managers that highlights issues of non-engagement.

The HEILS informed members that a user guide for staff was being prepared and that the system would be formally launched at the Creative Learning conference at the start of the new academic year in August.

Members noted that, once the system was up and running for a period of time, it would be useful for the HEILS to come back with an update on the system.

Members thanked the HEILS for her presentation.

L/18/023 Declarations of Interest

None.

L/18/024 Minute of Meeting of 21 February 2019

Members did not highlight any changes. Formal approval will occur at the next meeting of the Committee.

L/18/025 Matters Arising

a) Mental Health Support

The VPISC informed members that it had been hoped to bring the new College strategy to the meeting but that it was still under development. He noted that the Student Association were being consulted on the development of the strategy and it was hoped to bring the finished strategy to the next meeting of the Committee.

b) 2017-18 Sector PI's

The Chair noted that this was included in the agenda

c) 2017-18 Sector PI's

The Chair noted that the action had been to receive a demonstration of the SSS system which had happened.

d) Professional Standards for Lecturers

The Chair reported to members on a meeting she had with the Principal and the Chair of the HR Committee. She highlighted the areas of the new professional standards that would be considered by the HR Committee and confirmed that this Committee would look at any aspects of the standards which impact on the student experience.

e) Staff Awards

The Chair queried whether the College had looked into awards for staff. The VPISC informed members that this had not occurred yet. The Chair recommended that, when the College considers this, they should build in a mechanism to get student involvement.

The Chair requested that this be added to the future agenda items list.

f) Evaluative Report and Enhancement Plan (EREP)

The Chair queried whether there was an update. The VPLQ noted that, as the EREP actions form part of the Operational Plan monitoring targets, a separate report was not reported.

The Chair queried whether SFC had a summary of all the College EREP's yet. The VPLQ informed members that SFC were working on this but that there was no definite launch date for the information.

Members requested that, when it was published, they be sent a link to the summary report.

L/18/026

Outcome Agreement 2019-20

The Chair thanked the VPISC for issuing the draft document ahead of the other papers to give members time to review the document.

Members provided the VPISC with a variety feedback on the content of the draft document. They noted in particular that the document can be confusing as it covers current and future years and the information should be reviewed to ensure clarity. Members also noted that the document referred to some older awards that the College had received and requested that this be updated.

- a) Members agreed that the VPISC would update the document based on their feedback and that this updated version would be taken to the Board of Management for final approval.

L/18/027 Student Association Report

The Chair noted that, as the Forth Valley Student Association President was an apology, this item would be deferred.

L/18/028 Curriculum Case Study: Early Learning and Childcare

The CMOSM presented the case study. She described the process of the interaction of FVC students and local council through placements, leading to articulation for students beyond their course, and also the strong links between the College, Councils and private providers. Member recognised and praised the Childcare team for their agility of response to meet need.

- a) Members noted the content of the report

L/18/029 Operational Plan Monitoring 2018-19

The VPISC presented on progress towards meeting Operational Plan Objectives for 2018-19, identifying areas where issues had been identified, or where there were minor delays, explaining the reasons for these.

- a) Members noted the content of the report

L/18/030 Student Activity

The VPISC provided an update on student activity levels, noting an increase in overall enrolments of 19% compared to this time last year, and noting that the College was on track to deliver its Credits target.

Members also noted that applications for Session 2019-20 were trending slightly down on the current session, however that offers were up compared to this time last year.

- a) Members noted the content of the report
-

L/18/031 Future Agenda Items

The chair thanked Fiona Brown for her work on the Learning & Student Experience Committee, and asked whether Kenny MacInnes would be interested in presenting at the October meeting.

a) Kenny MacInnes to be invited to present at the October meeting. The VPLQ would circulate a link to the EREP, where the quality cycle is set out. The CGPO to ask neighbouring colleges of dates of their equivalent Learning & Student Experience Committees, and ask if they would be willing for committee members to attend.

L/18/032 Review of Risk

Risks were identified in their cover papers

L/18/033 Any Other Competent Business

No additional items were discussed.

Boardroom, Falkirk Campus (commencing at 4.30pm)

Present: Mr Liam McCabe (Chair)
Mrs Trudi Craggs
Mr Davie Flynn

Apologies: Mr Andrew Carver
Mr Ken Richardson

In Attendance: Dr Ken Thomson, Principal
Mrs Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Mr David Allison, Vice Principal Information Systems and Communications (VPISC)
Mrs Senga McKerr, Head of Finance (HOF)
Mr Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)
Mrs Pauline Barnaby, Development and Fundraising Manager (DFM) for item F/18/020 only

F/18/017 Declarations of Interest

The Chair declared an interest owing to the links between the College and University of Stirling in relation to certain degree level courses and under the Scottish Funding Council (SFC) HEI funded activity.

F/18/018 Minutes of meetings of 4 December 2018

Members approved the minute of the meeting of 4 December 2018

F/18/019 Matters Arising

a) F/18/013 Procurement Annual Report

The Chair informed members that the suggested changes to the Procurement Annual Report had been made prior to its publication.

F/18/020 Fundraising Activity 2018-19

The DFM presented a report giving an overview of 18-19 funding activity and discussed the next fundraising strategy for 2019-22

She noted that the first 3 year period had been focussed on developing relationships, growing the supporter base and developing new projects. She presented an overview of the projects funded to date with an overall value of circa £600k.

She highlighted the additional social benefits these projects bring, citing the example of the *Centre Forward* programme currently running as a partnership between the College and Falkirk Football club for 22 students.

Finally, the DFM outlined the considerations which go into each project funding application, and highlighted the helpful input from staff across the college for the wide variety of projects and their general support of the fundraising function.

Members noted the volume of activity over the last 3 years, the success rate of applications and also commended the staff for engaging with the fundraising service.

Members also welcomed the diversity of the projects across teaching and support areas within the College.

a) Members noted the content of the report and requested that it be included in the Board of Management papers for the next meeting on 27 June 2019

F/18/021 Tuition Fees & Fee Waiver Policy Session 2019-20

The VPISC presented the tuition fee waiver and fee waiver policy for consideration. He informed members that there had been no changes in fee levels from the Scottish Government or Scottish Qualifications Authority.

He noted that there had been some minor changes to the national fee waiver policy as outlined in his paper.

He informed members that, considering the above, the College was proposing to maintain the existing fee levels.

Members noted that the paper outlined a potential increase that may have been possible for part time fees but agreed with the College that, for the small additional return from this increase, it was not worth deterring potential students.

a) Members approved the Tuition Fees and Fee Waiver Policy for Session 2019-20

F/18/022 Accounting Policies for year ended 31 July 2019

The VPFACA presented the accounting policies to be applied to the year-end accounts. She informed members that the proposed policies were the same as had been used for the previous accounts.

Members queried whether SFC had issued any accounts direction. The VPFACA confirmed SFC had not done so.

Members queried whether the College's external auditors will have sight of these policies. The VPFACA confirmed that they would.

a) Members approved the Accounting Policies for year ending 31 July 2019

F/18/023 Budget 2019-20

The HOF presented members with the budgets for 2019-20, noting that the revenue budget was prepared on an academic year basis and that the capital budget had to be prepared on a fiscal year basis.

She informed members that, since the paper had been issued, the College had received further information which would require minor, non-material adjustments and that these would be included in the version presented to the Board of Management for final approval. She outlined a number of key assumptions in the budget and informed members that, overall, the College would have an underlying surplus sufficient to meet its loan commitments as required by the Scottish funding Council / Scottish Government resource accounting guidance. She highlighted an increase in bursary payment levels for students with no concurrent increase in funding levels. She noted that this could be managed via examining the amount of discretionary payments made for students returning the following year. Members queried whether this might impact on students decisions as to whether or not to return the following year. The HOF informed members that there was no data to indicate whether or not this would be the case.

She highlighted the reduction in capital maintenance funding and highlighted the areas in the report which outlined works the College is unable to fund.

In relation to equipment spend, members queried the note in relation to anti-cut gloves not being funded, with members who are also on the HR Committee noting that these gloves had already been reported as purchased. The HOF agreed to update the report to reflect this.

Members queried the assumptions for the amount of time both Falkirk campuses would be in operation concurrently and the assumptions for the reduction of catering income. The HOF noted that this was based on information provided by the Hospitality Department. The Principal noted that this would be challenged as he would expect the new campus, after a period of general induction, to be fully operational when it opens.

Members asked for an update on the current situation with CITB. The Principal updated members on sector level discussions and also College level engagement with CITB.

Members noted that there were costs in the paper for repairs to the roof of the Stirling campus and noted their surprise given the age of the building. They queried whether there was recourse under the contract for these repairs.

The VPISC noted that there was an issue with water ingress and that, while the College would be seeking recompense under the contract, the matter needed to be resolved in the interim to prevent further damage.

- a) Members endorsed the Budget for submission to the Board, following the agreed upon amendments

F/18/024 Appointment of Insurers

The HOF reported to members on a recent tender exercise for College insurers. She outlined the process and requested approval from members to award the contract to Zurich Municipal.

The HOF reported that the contact with Zurich would commence on 1 August 2019.

- a) Members approved the appointment of Zurich Municipal

F/18/025 Q3 Forecast Outturn 2018/19

The HOF presented the forecast outturn for the current academic year to members. She informed them of the need to retain sufficient surplus to meet the College's loan commitment. In addition the remaining surplus would have a beneficial impact on the anticipated draw down from the Arm's Length Foundation (ALF).

Members queried whether the Trustees of the ALF were content with this approach. The VPFA confirmed that she had met with the ALF that day to inform them of the approach and that they were agreeable to what was proposed. The VPFA also outlined overall ALF commitments that had been agreed to date. She informed members that SFC were keen that the ALF funds be exhausted before any additional funding for the new campus would be considered.

Members noted that the ALF was an independent organisation and that the College was not in a position to commit their funds without approval by the Trustees of the ALF and that that could not be taken for granted.

- a) Members noted the content of the report

F/18/026 Financial Forecast Return 2018/19 to 2023/24 (Verbal)

The VPFA informed members that, while the College had been informed by SFC that the Financial Forecast Return (FFR) would need to be submitted by June 2019, there has been no guidance received from SFC on the content of the FFR to date.

She noted that SFC have accordingly moved the submission date to the end of September 2019.

She reported that, while the final guidance was needed, the FFR was being drafted on the assumption of flat cash in respect of Government funding via SFC for the period and takes into account the impact of public sector pay awards.

Members noted that a paper on this should be brought to the September meeting for consideration.

The Principal noted that, to support this, the College would be looking at a transformational programme for the College to address the challenges from ongoing flat cash funding.

Members queried whether SFC would be using the funding model which had been under development. The VPFACA informed members that SFC have cancelled the review into the funding model in favour of a more fundamental review.

a) Members noted the content of the report

F/18/027 Review of Risk

Members noted the ongoing risks in relation to budget levels.

F/18/028 Any other competent business

The VPFACA informed members that the recent Audit Scotland report on Colleges and the issues facing the sector would be brought to the Board of Management meeting for discussion.

1. Purpose

To present to the Board of Management the twenty first Principal's report on key and strategic activity undertaken since the Board meeting in March 2019.

2. Recommendation

The Board should note and comment on the activity undertaken by the Principal since March 2019.

3. Key Highlights

3.1 SFC have still to release their FFR 5 year guidelines for the College to put forward our five year financial plan. We anticipate this will now come in September. In challenging financial times we were delighted to take a positive message to the Finance Committee on Tuesday with a strong budget for 2019/20. However, in anticipation of a flat line SFC grant settlement for the next five years and an Audit Scotland report on Colleges Scotland recognising times are tough, we are anticipating 7.5% cut in real terms over the next three years and so we have been busy planning a Transformational Programme for the college aligned to Forth Valley College's Vision 2030. Over the summer SMT will be undertaking some blue sky thinking to help underpin the Board residential in late August where we will reset our mission, vision and values and importantly, be clear on the College's purpose. Martin Doel has been commissioned to facilitate the discussion. Following the residential SMT and LMT will then take forward workshops, including with the Leadership Group, to develop a draft Strategic Plan 2020 to 2025. Following the line, form follows function, SMT will then develop a college structure to deliver the plan. The whole system approach will be under the format of Forth Valley College's Transformational Programme 2019. We are aware that a number of Board members have excellent experience of structural change in organisation and we would welcome their candid contributions at the Board residential and follow up workshops. We will be targeting efficiencies of 7.5% over three years and a saving of over £1 million. Our outcome will be a sustainable structure aligned to a strong mission, vision, purpose and plan for the next three years giving staff a high level of confidence and security.

3.1.1

[Redacted content]

3.1.2

[REDACTED]

3.2 In early June, the EIS FELA called off their strike action following agreement with Colleges Scotland Employers Association. Ross Martin was a key negotiator for the colleges and Andy Lawson was senior advisor to the HR specialist at Colleges Scotland. The outcome has been included in the budget. Note Scottish Government and SFC expected colleges to absorb any cost of living agreements within their 2019/20 grant awards. This has been challenging for all colleges. Indeed Fife College are well through a structural change where duties that were once undertaken by lecturers will now be undertaken by instructors and assessors. This is a potential model for the whole sector.

3.2.1 On the home front, I am delighted to welcome Kenny MacInnes to SMT from August as the new Vice Principal for Learning and Student Experience. He will be replacing Fiona Brown who retires in September. On a personal note can I thank all Board members for their kind words of support on my OBE. I was particularly pleased with the citation of services to education, economic developments and the communities of Forth Valley. Due recognition of the catalytic role our college has in the regional economy and our local communities.

4 Networking

4.1 This has been a busy period for engaging with stakeholders. Ross Martin and I met with the SFC Chair on a tour of the new campus and this was followed by a large tour party from the Falkirk Economic Partnership. Tours have also include Jill Buchanan from the Falkirk Herald and a local businessman and entrepreneur, Alistair Campbell.

4.2 In June I officially opened the Creative Industries Annual Exhibition at the Stirling Campus with over 200 guests for the closed session. On the 20 June I also officiated in Forth Valley College's Salon Services graduation at the Stirling Campus where over 150 students and guests attended.

4.3 On College business I contributed to the SFC Brexit Summit at the Royal Society of Edinburgh where Ken Richardson, FVC Board member, was a facilitator. I also attended the EY Entrepreneur of the Year Awards in Dundee at the VA in June as a guest of the Institute of Directors and made a number of new connections. Two of which I am following up with

potential apprenticeship opportunities with Caroline Hogg. I also attended the Colleges Scotland annual dinner at the Norton House Hotel where I was able to spend time with Sarah Beale, CITB CEO.

- 4.4 Stirling Campus was host for the first graduation of the Children's University where primary and secondary pupils from Bo'ness graduated. We believe the fact the graduation was in a tertiary college was a first for the Children's University in the UK.
- 4.5 Ross Martin and I attended the Forth Valley Chamber of Commerce dinner at Inglewood House in Alloa and I was delighted to welcome members of the Chamber to a private dinner at the Stirling Campus Gallery Restaurant.
- 4.6 As part of my "Day in the Life" series, I spent a day working with our Equality, Inclusion and Learner Services team. It was a fascinating experience seeing how dedicated staff work with students, some with profound difficulties, in ensuring every one of them gets the best opportunity we can provide and that no student falls between cracks. I commented on Twitter that this was the best example of a customer management system (CMS) I had ever come across. A truly professional team.
- 4.7 Finally, I continue to represent Colleges Scotland at the jointly chaired Scottish Government / Education Scotland's Curriculum and Assessment Board which is the primary advisory group for the DFM and school education in Scotland.

5. Presentations

- 5.1 I have given two presentations over the time period covered by this report. In May I was a key note speaker at the CDN Governance and Leadership Conference presenting twice on the role of Colleges in economic development. Ross Martin and I were to do our now famous double act, however Ross was called into the negotiating team between the Employers Association and EIS FELA. In addition, in late May I also gave a presentation on the role of the college in industry and updated on the new Falkirk campus to the Bairns Breakfast Club at the Falkirk Stadium.

6. Key Meetings

I undertook the following key meetings in the period 23 March to 21 June 2019:

- 6.1 Over the period of this report, I have had three scheduled meetings with Ross Martin, Chair of the Board of Management and a number of informal discussions. I have had two formal meetings with the Student Association.
- 6.2 In relation to industry engagement, Jen Tempamy and I met with Jeremy Carr from Leonardo to discuss digital heating and opportunities through the Falkirk Investment Zone (FIZ). I have also met with Tracey Black, CEO CBI Scotland, and Graham Smith STUC to discuss the college developing a Skills Landscape roadmap to help industry understand the breadth of qualification choice.
- 6.3 From Government I met with the new Assistant Director for FE, HE and Science, Linda Pooley as part of her induction to the sector.
-

- 6.4 [REDACTED]
- 6.5 I have also met with Hector MacAuley, Balfour Beattie Scotland MD and Nick Rowan, Director of New Business on two occasions to look at future opportunities and discuss progress on the new Falkirk estate. On a separate occasion I met with Louise Owen, Balfour Beattie Business Development Manager.
- 6.6 Part of the role of Principal is in developing new relationships for the college and over the last few months I have met with Brian McEwan of Young Enterprise Scotland, Chief Superintendent Thom McLoughlin and Chief Inspector Gill Morrison, to take forward ideas for projects linked to Community Planning, and Gordon Bell CEO STEP. I have also met with Alex Clyne and Angela Williamson from Jump Digital and Jim Metcalfe, CEO CDN.
- 6.7 Finally I was delighted to meet up with Carol Turnbull, the new Principal of Ayrshire College and separately, Joanna Campbell, the new Principal of Dumfries and Galloway. Joanna is an alumni staff member of Forth Valley College being Head of Science and Computing five years ago.
- 6.8 I have attended two SQA Board meetings and chaired their Qualifications Committee. I attended two HES Board meetings and most recently attended their Board Strategy day. I also attended one Trustee Board meeting of Jisc in London..
- 7. Colleges Scotland (CS)**
- 7.1 I attended one meeting of Colleges Scotland Finance Group which is immediately followed by the SFC Finance and Funding Committee. I also attended two meetings of the College Principals Group (CPG) and strategic dialogue meeting with CPG.
- 7.2 Andrew Lawson, Depute Principal and Chief Operating Officer and Ross Martin, Chair of the Board, continue to represent the College on the Employers Association.
- 8. Community Planning Partnership**
- 8.1 There has been two meetings of the Leadership Group for Community Partnership Planning in Stirling and one of the Strategic Board meeting in Falkirk. I have also attended one meeting of the Clackmannanshire Commission.
- 9. Financial Implications**
- None
-

10. Equalities

Assessment in Place? – Yes No

If No, please explain why – This paper is an overview report only, there are no changes to College policy or practice involved.

Please summarise any positive/negative impacts (noting mitigating actions) – N/A

11. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		
Medium		
Low		
Very Low	X	X

Please describe any risks associated with this paper and associated mitigating actions – None

Risk Owner – Ken Thomson

Action Owner – Ken Thomson

12. Other Implications –

Please indicate whether there are implications for the areas below.

Communications – Yes No

Health and Safety – Yes No

Please provide a summary of these implications – N/A

Paper Author – Ken Thomson

SMT Owner – Ken Thomson

1. Purpose

To inform members of FVSA activity for 2018/19.

2. Recommendation

That members note the recent activity undertaken by the Student Association.

3. Background

FVSA have had a very successful year and we would like to thank members of the board for your continued support. Section 5 of the report lists some of our achievement for members to note as we look ahead to the new academic term.

4. ALF Fund/ Operation Budget

FVSA applied for a grant of £172K from the above to fund salary costs for both the academic years 2018-19 and 2019-20. This has now been granted for the two years.

FVSA applied for a £18,000 operational budget for 2018-19 which has been approved by the college finance committee.

5. FVSA Update

Some of FVSA's achievements from this year are summed up below,

- Shortlisted for NUS Scotland Student of the Year Award 2018/19
 - Shortlisted for NUS Scotland Officer Team of the Year 2018/19
 - Shortlisted for Class Representative of the Year SPARQS 2018/19
 - Launch of Forthy the Fox - FVSA Mascot
 - Student Stationery Agreement Launch
 - Launch of the Student Mental Health Agreement with FVC
 - 3 motions passed at NUS Scotland Conference
 - Implemented Student Partnership Agreement with FVC
 - Highest amount of Voluntary officers within one year
 - 184 Class Representatives trained
-

Annual Report (Document Attached)

Please find our newly launched FVSA 18/19 Annual Report attached, which details all the highlights from our work over the last year. Lots of pictures are contained within the report which will hopefully help captivate the fun and hard work that has taken place.

6. Financial Implications

FVSA carries out all activities within our operational budget. As the Strategic Plan progresses there may be requirement to review the budget of FVSA, however FVSA will not implement any plans/activities that require additional funding before seeking the support of the College SMT and Board of Management.

7. Equalities

Assessment in Place? – Yes No

Some of the planned activities will require to be impact assessed, however this will be done on an individual basis.

8. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		
Medium		
Low	x	x
Very Low		

Please describe any risks associated with this paper and associated mitigating actions –n/a

Risk Owner – Liam Williams

Action Owner – Liam Williams

9. Other Implications

Please indicate whether there are implications for the areas below.

Communications – Yes No

Health and Safety – Yes No

Paper Author – Liam Williams

SMT Owner – Andrew Lawson



Forth Valley Student Association

Annual Report

2018-19

Last updated: 20 June 2019

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FVSA Highlights of 2018/2019



#fvsafreshers

#fvsa18

#fvsa19

#fvsawelcome

#fvsaelections

#fvsafe

#fvsareptraining



@forthvalleySA



Shortlisted for NUS Scotland Student of the Year Award 2018/19

Shortlisted for NUS Scotland Officer Team of the Year 2018/19

Shortlisted Class Representative of the Year SPARQS 2018/19

Launch of Forthy the Fox - FVSA Mascot

Student Stationery Agreement Launch

Implemented Student Partnership Agreement

184 Class Representatives trained

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Introduction

Welcome to Forth Valley College's FVSA Annual Report 2018-2019. It has been a remarkable academic year for FVSA and this report will detail all the hard work that has gone into ensuring our students have the most productive and enjoyable learner experience possible.

We would like to thank our executive team, student members, volunteers, and partners for their continued support in making the student experience here at Forth Valley College the best it can be.

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About Forth Valley Student Association

Forth Valley Student Association (FVSA) are an autonomous organisation who are responsible for representing the voice of students in order to improve the educational experience of its members and students of the College as a whole.

FVSA Strategic & Operational Plan

Strategic Plan 2016-18: [Click here](#) to view the Strategic Plan for 2018-2022

Operational Plan 2018/19: [Click here](#) to view the operational plan for 2018/19.

FVSA Constitution

FVSA are required by the Education Act 1994 to have a Constitution. This Constitution is a legal document that sets out the activities and procedures of FVSA. It provides a framework for the operation of FVSA by:

- Defining what the Association can or cannot do.
- Indicating how the Executive Committee can act on behalf of Association members.
- Outlining how Association members can air their concerns.

The FVSA Constitution also outlines the FVSA structure and role profiles for each Executive Officer. The current version of the Constitution was published in April 2017 however changes were made to the document which were approved at Student Representative Council in April 2018.

[Click here](#) to view the FVSA Constitution.

Student Council

The Student Council is the decision making body of FVSA, and a forum for students to hold elected officers to account, provide feedback to FVSA on the learner experience and to shape the work of the Student Association based on the views of students. Students can put forward motions, vote on issues and vote for changes to the FVSA constitution. FVSA are responsible to the student body via the constitution, which outlines what the Association and its members can and cannot do.

Student Council takes place twice a year, once in block 1 and once in block 2. The meetings are always well attended and gives the Class Representatives/students a chance to provide feedback on their learning experience directly to a member of the Senior Management Team (SMT) through an open floor discussion.

FVSA Team 2018/19

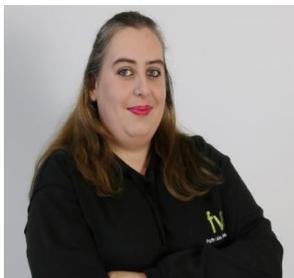
FVSA Executive Committee:



Liam Williams – Student President



Lindsay Graham - Vice President



Claire Green – Disabled Students Officer



Theo Blyth – LGBT+ Students Officer



Elizabeth Clark – Executive Officer



Andrew Smirthwaite – Mature Students Officer



Shannon Easton – Executive Officer



Aidan Brewins – Executive Officer

No image supplied:

- Black and Minority Ethnic Students Officer - Waban Fernades
- Womens' Officer - Lesley McPerson (Feb 2019 – May 2019)
- Executive Officer - Jack Laurenston (Feb 2019 – May 2019)

FVSA Staff members:



Angela Muirhead – Student Association
Co-ordinator (maternity leave block 2)



Lynne McClelland – Administration
Assistant (block 1) & Student Association
Co-ordinator (block 2)



Elena Semple – Student Activities
& Volunteer Co-ordinator

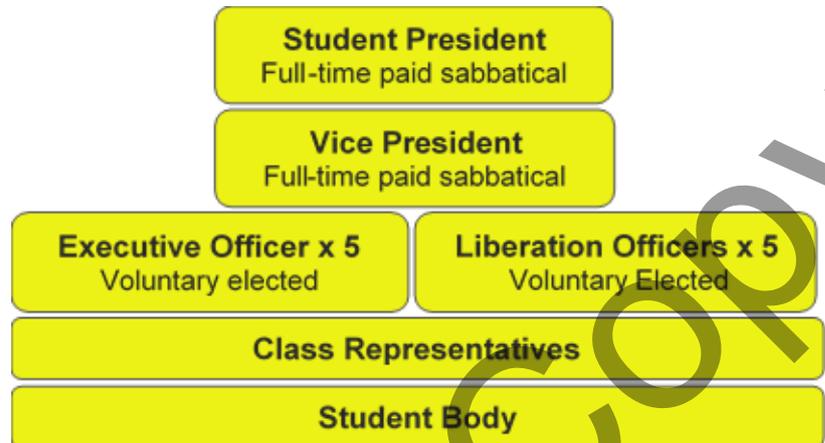


Luke Walker – Administration Assistant
(May 2019 onwards)

FVSA Structure

FVSA Student Members

The Sabbatical officers lead the work of FVSA through the Executive Committee, which consists of the Sabbatical and Voluntary officers. All elected members are responsible to the Student Council, which is made of class reps and students from across the College. This ensures that students are fairly represented and able to hold officers to account for their work. Student Council is also the forum where any larger decisions are voted on by the student body, as set out in the FVSA Constitution.



The five liberation¹ officer roles are Black & Minority Ethnic, Disabled, LGBT+, Mature & Women's. This structure follows the liberation/sections representation that the National Union of Students offers on a national level, with our local officers ensuring under represented student groups have a voice within FVSA, and are able to take this to a national platform through NUS Scotland and NUS UK.

FVSA Staff Members



The Student Association Co-ordinator supports FVSA Officers and Staff and is responsible for supporting FVSA to deliver on the Strategic Plan. Staff members are line managed through the Student Association Coordinator, however they support the work of FVSA as set out in by the Executive Committee, and within the Strategic Plan.

FVSA Advisory Group

FVSA currently have an advisory group in place, made up of students, sabbatical officers, College Board members, College Staff and an independent member from another Student Union. The group are responsible for supporting the development of FVSA, advising on HR or other challenges we are facing and for advising us on managing our relationship with the College. This is recognised by NUS Scotland as good practice in ensuring good governance within FVSA.

¹The term 'liberation' is used as the role of these officers is to remove barriers for under-represented groups, 'setting them free'.

Highlights of 2018-19

This has been another excellent year for FVSA with many success stories. Some of our highlights are listed below.

Student Partnership Agreement

The purpose of the above agreement between FVSA and FVC was to identify ideas on joint projects to work on together collaboratively over a 4 year plan which will run alongside our Strategic plan. From meeting with SMT the key headlines were drawn up:

- Mental Health
- Department Reps
- Liberation Officers (Underrepresented groups)
- Apprentice Engagement

The Student Partnership Agreement was published and launched in March. We are highly praised through our external partnerships about our joint agreement with the College and we are glad to now have this document published and available for students and staff to view. A copy of the agreement is attached for information.



Class Representative Training

A full review of the Class Rep Training took place in the summer 2017 to analyse how we wanted to train our Class Reps and to make this work not only for the students but for the College. The training included interactive activities such as scenarios of how to signpost students, as well as informing students how to be an effective Class Rep. Feedback from these sessions was greatly received.

The Class Rep training area on Moodle was also updated to provide more comprehensive training materials and resources for reps to access throughout the year. This improved the skills and engagement levels with Class Reps.

123 Class Reps attended the physical training session and 67 Class Reps completed the training online.

Voluntary Elections

Elections for Liberation and Exec took place in October 2018 and we successfully welcomed to the team:

- Claire Green - Disabled Students Officer
- Shannon Easton, Aiden Brewins - Executive Officer x2

By-Elections for Liberation and Voluntary Officers took place in February 2019 and we successfully welcomed to the team:

- Andrew Smirthwaite - Mature Student Officer
- Theodore Blyth - LGBT Students Officer
- Jack Laurenston, Elizabeth Clark - Executive Officer x2
- Lesley McPherson - Women's Officer
- Waban Fernades - Black & Minority Ethnic (BME) Students' Officer

These roles help shape the work of FVSA and to help support students throughout their year. (see team on page 6)

Clubs and Societies

This year we have received requests for eight different clubs and societies, which is the highest number we have ever seen. FVSA students set up various clubs and societies throughout the year which provided students with fun and engaging activities. These included:

- Robocraft
- Knitters Anonymous
- SAGA (LGBT+ Society)
- Mature Students' Society
- Cheer Club
- Student Carers' Club
- Cricket Club
- Tabletop Games Society

SAGA has been recognised by NUS Scotland on their dedication to supporting LGBT+ students, and providing a space to plan LGBT+ activism.² It has also been an excellent platform to develop officers' skills and opportunities to feed into national policies. With over 50 students participating in various clubs and societies, we have seen a spectacular increase in engagement with students and their student-led groups.

The groups have been a great opportunity for students to meet new people, learn new skills whilst enjoying their time at College and has led to several student seeking additional opportunities with the student association.

Student Mental Health Agreement 2019

The Student Mental Health Agreement has been now launched a document in partnership with the College and Student Association, with the launches having taken place between the 15th-20th of March across the three campuses. Many exciting interactions took place from the signing of the agreement, different internal and external stalls and activities, students and staff had many ways to engage at this time.

Marketing and NUS attended the event also and lots of publicity around the agreement has taking place.

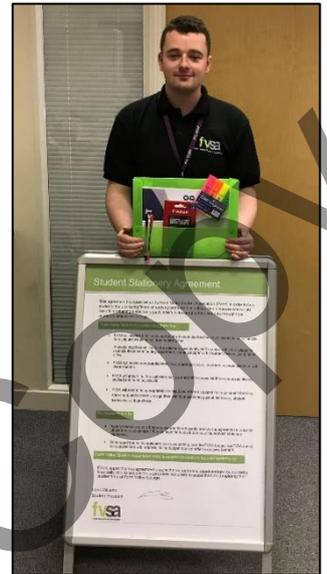
² <https://www.nusconnect.org.uk/articles/forth-valley-students-take-action-for-lgbt-rights>

Student Stationery Agreement 2019

The Student President has been inspired through the student-funding department to set up a Student Association Student Stationery Agreement, which outlines that students in financial hardship or struggles may benefit from a stationery pack provided by the Student Association free of charge.

The packs contain essential stationery that students may require throughout their time at college. The system works by any College staff identifying the student that may most benefit from receiving one if applicable, (students can also self identify for a pack, but that will be monitored to deter miss use), staff will refer students directly to us were they can collect the pack.

We are hoping to review the impact this agreement will have had on the selected students that use the provision and we look forward to analysing the feedback/outcome in 6 months' time.



Student Democracy

Student Council

This year we updated our format for the meetings to increase the accountability of officers, encourage more discussion on FVSA activity and to encourage students to shape the work of FVSA through the use of motions/voting.

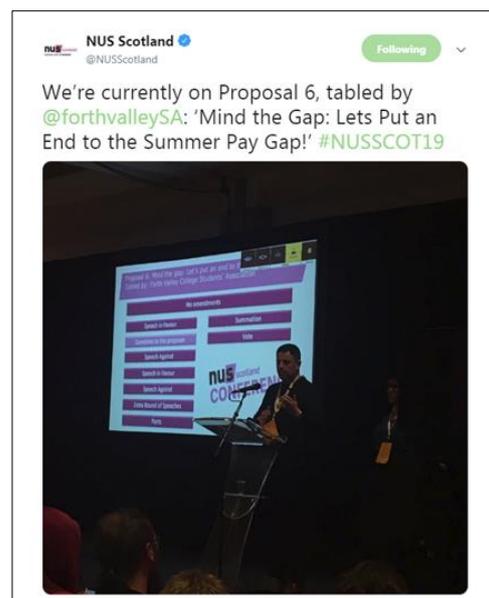
- Block 1 – [Minutes of the Meeting](#)
- Block 2 – [Minutes of the Meeting](#)

NUS Scotland

The FVSA team attended the NUS Scotland Conference in Dunblane this year. The conference elected the new NUS Scotland President and Vice Presidents, and set out the priorities for NUS Scotland for the year ahead.

FVSA sent 3 delegates to Scotland conference. Delegates took the opportunity to network with fellow SA Staff and Officers, and to vote for motions which reflect the needs of our students.

FVSA also successfully passed three motions at conference that will help shape the work of NUS on behalf of our students, one on fighting for justice for estranged students – to ensure they support estranged students on the same terms as the Care Experienced students with regards to bursaries and that estranged students should not graduate with more debt than those with parental support due to their independent student status. The second motion passed raised by FVSA at conference was a motion to put an end to the summer pay gap in student maintenance payments and ensure there is parity for all students of all backgrounds in HE education. The final one saw NUS Scotland mandated to continue pushing for widening access in all institutions to ensure the 2021 target is met and that the ambitions of our sector extend beyond that date.



NUS Scotland Liberation Conferences

Our Liberation Officer and self-defining Executive Officers attended three Liberation Conferences hosted by NUS Scotland in April – Women’s, LGBT+/Trans and Black Students Conference. Our delegates presented two motions, one to the Women’s Conference on mandating NUS Scotland to press for the implementation of an “Equalities Action Plan” for Modern Apprenticeships, which should set specific improvement targets for participation by gender, race and disability. Also to work with NUS Scotland and Scottish Government to improve access to work for women and to tackle gender segregation in apprenticeships and work environments.

During the LGBT+ Conference, one of our first-time delegates presented a motion to conference floor about condemning Brunei’s decision to implement the barbaric laws that will see the death and suffering of international LGBT+ people and extend solidarity to LGBT+ people, at home and internationally, and to reaffirm the student movement’s stance on helping defend their human rights.

NUS National Conference

The NUS UK Conference took place in Glasgow this year.

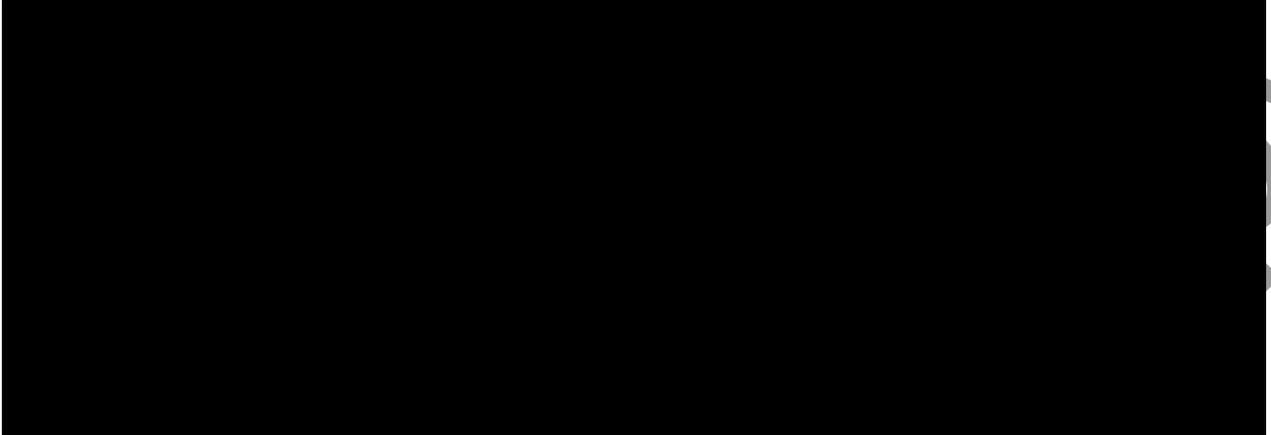
FVSA voted in the National elections for the new NUS UK executive team and on a number of motions which will impact on our students.

Delegates spent time networking with officers and staff members across the UK.



Events and Campaigns

FVSA have provided a number of opportunities for students and supported student events and campaigns throughout the year.

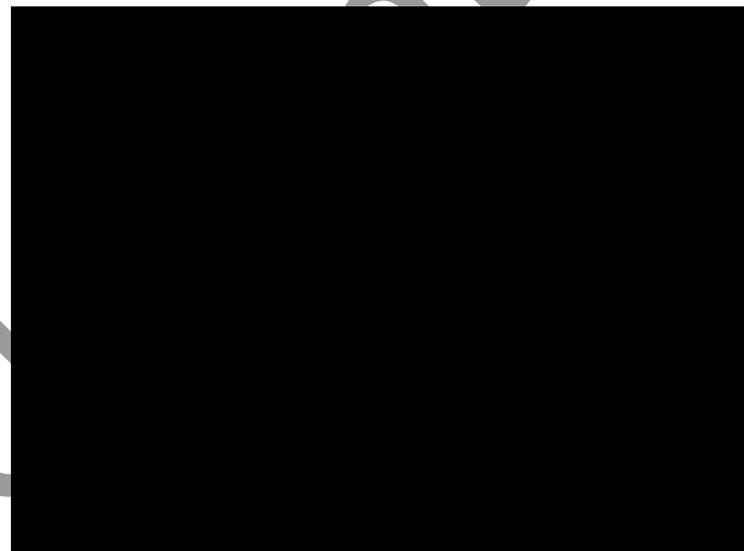


Fairtrade

FVSA marked the Fairtrade fortnight by running a taste test on each campus, seeing if staff and students could taste the difference between Fairtrade products and supermarket brands. This year we had chocolate, bananas and a quiz with the chance to win a Fairtrade Hamper. The tasting was very successful and allowed FVSA to interact with students across three campuses.

Christmas Gift Appeal

FVSA visited Signpost Recovery in their Alloa office in December to drop off our gift appeal of toys and food for people and families of those recovering from addiction. During our appeal FVSA spent time raising awareness of the charity and asking for donations.



Student Transport

Based on a number of concerns raised by students across FVC, FVSA have been campaigning to improve the affordability and availability of public transport. FVSA conducted a survey on student travel to and from the College, carried out researching on travel costs and reached out to our colleagues at Stirling University Students Union who have faced similar issues back in 2017.

From the research it was identified that students found it difficult to access bus transport between the three local council areas and between the Stirling Town Centre and FVC.

FVSA passed a motion at Student Council in 2017 which means that FVSA will continue to work on student transport next year.

FVSA has met with both First Bus and Stirling Council this year 2018/19 on several occasions, and a number of senior Council members to discuss opportunities and transport links to and from the Stirling Campus, the talks are still on going and First Bus now are aware directly and fully of all concerns raised by the students in our campus and we are keeping communications open to discuss and make further improvement in the near future.

#FVSafe Campaign

FVSA ran a Safety Campaign across the College and on our social media. There was a range of information to help our students look after themselves in the run up to and during the Winter break, and focused on tackling the January blues in the last few weeks of block one and up to ReFreshers.

The campaign covered GBV, knife safety, smoking cessation, self-care, stress management, and tackling hate crime and preventing and responding to violence against women.

Autism Awareness Day

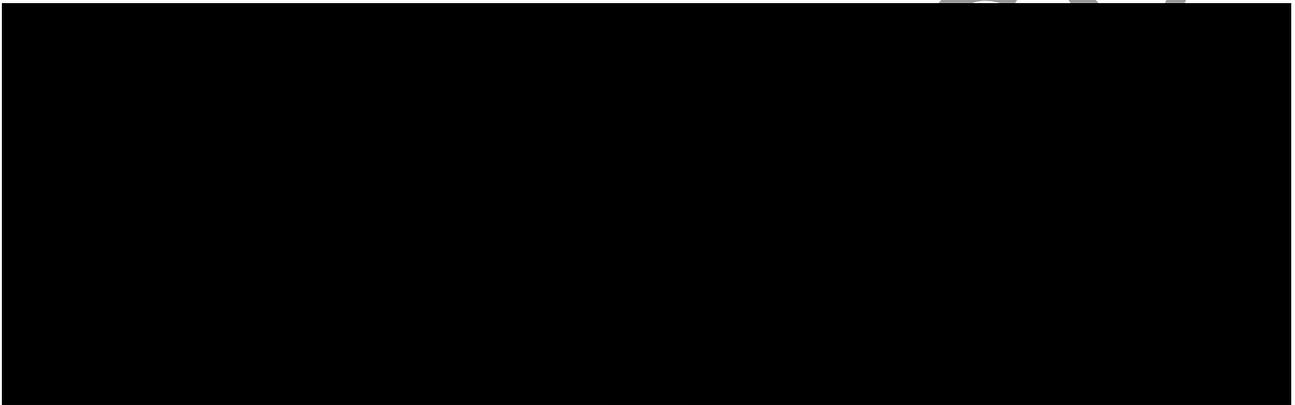
The Student President, in collaboration with a student, had decided to run an Autism Awareness Day, which took place on March 25th in the Falkirk Campus. This was a great opportunity for the Student Association to engage with students around this important topic.

The day itself had stalls, games and entertainment. Some students who have Autism and study at the College also shared their experiences through media that was shown at the event. This also included how they have worked with the Student Association to overcome some of the challenges of studying and being a part of the college with a disability, such as implementing new sensory equipment that is now in place within the quiet room.

The event hopefully helped promote the support that the College has in place for students who identify with a disability and the support available within the wider community with invites for stalls at the event being taken up by Autism Scotland, Sensory Centre and internal College departments.

Halloween

Students engaged with our trick or treat event on Halloween (Wednesday the 31st) at all 3 of the campus. The idea behind the event was to get student through our office doors by trick or treating us. The event seen Halloween freebees being well received and student engaging with us. This was great for our engagement work and increased student footfall through the FVSA office doors.



FVSA Mascot

This year the student president wanted to add a Mascot to the Student Association Team, after much thought and a student survey the SA created Forthy the Fox. Forthy comes in a real life versions and also a teddy form so he can be at every event we offer. Students have really engaged with forthy this year and it's great to see the Joy he brings to the colleges students and staff.



President's Round Table, Scottish Parliament

On 29th January, the Scottish Parliament played host to the first ever student roundtable giving students' association officers from all over Scotland the chance to quiz Scottish Government ministers. The Vice President attend this event with Elena Semple on behalf of the Student President where we represented FVC. This was organised by NUS Scotland. Topics that were discussed at this event included mental health support, student housing, cost- of-living support, funding for student associations, the roll-out of Universal Credit, support for student parents and carers as well as gender based violence.

Paws against stress

The Vice President in January held a paws against stress event which involved getting students to engage with therapet dogs to help combat any stress or anxiety. The event was well attended with 53 places on offer taken mainly by students but also a few staff attended the event as well. From feedback gathered, this was very successful and students express an interest in seeing the dogs return next year.

International Café event

This was an event hosted by Lisa Hachemi the Vice President to help ESOL students feel integrated & welcome in College. The event was designed to showcase 9 countries that ESOL students at the College are from including Scotland. Countries included Hungary, Romania, Lithuania, Poland, France, Italy, Pakistan, Syria and India. Facts and culture documents were provided on tables for each country so that students could read about the different places. Dishes from each country were placed at the tables so that students could try different cuisine from each place. This event was overwhelmingly attended by both staff & students. Feedback received from both students and staff.

Step Count Challenge

FVSA, along with groups of students and staff members took part in a 2-week step count challenge, arranged by our Activities & Volunteer Coordinator. The challenge aimed to promote walking as a form of exercise and to get students and staff to think about how active they are on a daily basis. The challenge was a great success, with FVC students (holy walkamolies) taking the prize, and a student team winning most improved. The combined steps over 5 teams was equivalent to 6 trips along the West Highland Way, with an average of 32 miles per person!



Vue Cinema

FVSA, in partnership with Vue cinema, offer free movie viewings to students who attend a mock fire evacuation at the cinema in Stirling. This usually takes place twice a year and this year students have been able watch the brand new movies, Robin Hood and John Wick 3, for free and without any trailers or adverts beforehand. Students are also able to bring along friends/family to these events.

Freshers' & Re-Freshers' Fair

This year's Fresher's Fair, held in September, was very successful. All campuses were busy and we received great feedback from our participants and students. This year's theme was Scottish and we had a fully packed hall/reception area with local businesses and voluntary organisations providing freebies/prize

with popcorn/candy floss and stalls in which students could win various prizes. We raised over £340 this year which was raised for our Clubs and Societies fund.

Following on from our main Freshers event, the team held their annual Re-Fresher's Fair for the fourth year running. This allows a welcome event for our new January start students and any students who may have missed the original Fresher's Fair in September. During the event, we had various exhibitors, hosting stalls and celebrated the local community in each campus. There were a range of exhibitors who were offering opportunities to students within the community and FVSA also promoted and raised awareness for the Liberation and Volunteer positions within FVSA.

We also hosted some fundraising stalls with a number of competitions and all proceeds went towards FVSA Clubs and Societies fund. A total of over £190 was raised.

As well as the main events, Vue Cinema also provided our students with the opportunity to watch a free movie in turn to help them out with a fire evaluation test in Stirling which was a great success.

Meetings

FVSA attended various meetings/events throughout the year. These included the following:

04/07/18 - 05/07/18	NUS UK Awards (Birmingham UK)	AVC & SP
10/07/18 - 11/07/18	NUS Scotland Lead & Change (Training Event in Livingston)	SP
8/08/18 - 09/08/18	That's Quality Sparqs Conference (Dundee)	SP & VP
23/08/18	NUS The Gathering Event (GCU)	All SA Team
31/08/18	Sparqs Apprentice Engagement (Morven)	All SA Team
3/09/18	Think Positive Launch Event (3 Campuses)	VP
5/09/18	Meeting with Stirling University Union	All SA Team
10/09/18	Safeguarding Training (Falkirk Campus)	All SA Team
20/09/18 - 21/09/18	Board of Management Residential (Stirling Court Hotel)	SP & VP
Oct 18	Class Rep Training	All SA Team
31/10/18	Trick or Treat Halloween Event	All SA Team
22/11/18	NUS Scotland Zones Conference	Exec Delegates
5/12/18	Meeting with Stirling Council (Transport)	SP & AVC
17/12/18	Donations giving to Clackmannanshire Women's Aid	All SA Team
14/01/19 - 01/02/19	Annual FVSA Step Count Challenge	All SA Team
17/01/19 - 24/01/19	Bystander Training hosted by Rape Crisis Scotland	Admin & SP
21/01/19	Blue Monday – Mental Health Event (Therapets)	VP
29/01/19	Presidents' Roundtable hosted by NUS Scotland in Scottish Parliament	VP & AVC
31/01/19	CSREC Equality & Transphobia Awareness	All SA Team
22/02/19	Purple Friday – LGBT+ Students Stalls	Exec Team
25/02/19 - 28/02/19	Fairtrade Tasting Event	All SA Team
05/02/19	Falkirk Funders' Fayre	SAC, Admin & SP
07/03/19 - 08/03/19	Class Rep Networking Sessions	All SA Team

21/03/19 - 22/03/19	NUS Scotland Conference - Dunblane	SP, VP & AVC
25/03/19	Autism Awareness Event – Falkirk Campus	SP & Admin
28/03/19	Sparqs Conference & Student Engagement Awards	Admin, SP & AVC
03/04/19	International Café Event - Falkirk	VP & SAC
03/04/19	LGBT+/Trans NUS Scotland Conference - Edinburgh	Exec & AVC
04/04/19	Women’s Scotland NUS Scotland Conference - Edinburgh	Exec & AVC
05/04/19	Black Students NUS Scotland Conference - Edinburgh	Exec & AVC
9/04/19 - 11/04/19	NUS UK Conference	SP & VP
23/04/19	International Café Event	VP & SAC
30/04/19	Careers Fair - Falkirk Campus	SP & SAC
13/05/19	NHS Sexual Health Training	SP & AVC
29/05/19	Free Cinema Event & Fire Evacuation (John Wick 3)	All SA Team
12/06/19 - 13/06/19	College Expo Event 2019	SP, VP & AVC
19/06/19	GBV Training with Rape Crisis Scotland	All SA Team

SP - Student President

VP - Vice President

SAC - Student Association Co-ordinator

AVC - Activities & Volunteer Co-ordinator

Admin - Administration Assistant

Exec - Executive Officers

Looking ahead to 2019/20

The year ahead for FVSA will provide a real opportunity to improve the level of engagement with students. The development work carried out in the last twelve months have laid the foundations for a successful year, which will start out with solid plans, based on self-evaluation, evidence gathered through student feedback and the elected officers' plans.

Sabbatical Elections

FVSA had excellent participation in the sabbatical elections this year, with a total of five candidates coming forward for the two election categories; Student President & Vice President. Each candidate showed great enthusiasm for their role and elections were highly visible around the College. Our newly elected Student President and Vice President was decided in May 2019 and will take up their new role from 1st July 2019.

Student President, Liam Williams

Re-Elected



Vice President, Lindsay Graham

Re-Elected



1. Purpose

For the Board of Management to approve the Outcome Agreement for 2019/20.

2. Recommendation

That the Board of Management approve our Outcome Agreement for 2019/20.

3. Background

The expectation from SFC are for changes to the context statement within our Outcome Agreement to be minimal to reflect only what has changed since last Session, while still ensuring the College meets both existing and new Scottish Government priorities. A first draft of our Outcome Agreement was submitted to SFC by 10th December with detailed feedback received by 31st January. A draft Version 2 was submitted to SFC on 30th April incorporating this feedback. Our Outcome Agreement targets which we set in our first draft weren't challenged through the feedback process. The draft Version 2 of our Outcome Agreement was reviewed by the Learning & Student Experience Committee, with a recommendation of approval from the Board of Management pending incorporation of feedback and comments from members. Comments and feedback have been incorporated into the attached Version 3.

4. Key Considerations

The key message in the Outcome Agreement guidance for 2019-20 is again intensification of targets. This is in relation to widening access; attainment and retention; gender; Developing the Young Workforce; skills; innovation and apprenticeships. Along with ambitious and challenging targets the Outcome Agreement should have greater focus and clear evidence of engagement with external stakeholders and evidence that the actions in the outcome agreement meet their needs.

The number of strategies/plans that are expected to be referenced from within the Outcome Agreement has grown, with a full list shown within Table 1.

Table 1 – Strategies and plans

Strategy/Plan	New OA Requirement	Available
Access and Inclusion Strategy	No	Yes
BSL Plan	No	Yes
Corporate Parenting Plan	No	Yes
Developing the Young Workforce Plan	No	Updated annually
Equality and Human Rights Impact Assessment	No	Yes
Gaelic Language Plan	No	Within OA
Gender Action Plan	No	Yes
Public Bodies Climate Change Duties Report	No	Yes
Estates Strategy	No	Within OA
STEM Strategy and Action Plan	No	In development
Student carers support policy	No	Yes

Public Sector Equality Duties Report	Yes	Yes – updated Mar 19
Mental Health Strategy	Yes	In development

A number of staff from across the College have input to our Outcome Agreement.

The main areas which have been updated or added through this year's Outcome Agreement are set out below:

- Developing the Young Workforce
- Early Learning & Childcare
- Student Progress Tracking
- Student Support System
- Diet and Healthy Weight
- European Social Fund
- Cyber Resilience
- Modern Apprenticeship
- Graduate Apprenticeship
- Innovation
- Corporate Parenting
- Race
- Gender
- Gender Based Violence
- English for Speakers of other languages
- Mental Health
- Carers
- Estranged Students
- Veterans/early service leavers
- Links page

Outcome Agreement National Performance Measures

There are no significant changes to the National Performance Measures within the current guidance. Appendix 1 of the Outcome Agreement shows Actual performance for the last two Sessions and current Year Target, along with ambitions for 2019-20 through to 2021-22.

These ambitions were reviewed and updated prior to submission of a well-developed first draft of our Outcome Agreement to SFC by 10th December, and haven't been questioned by SFC.

Indicative Timeline

Guidance updated and published	October 2018
2017-18 Evaluative Report and Enhancement Plan submitted	31 October 2018
Updates/additions for the first draft submitted to DA	29 th November 2018
Draft Targets set by Leadership Team	4 December 2018

SFC Board review progress with 2017-18 Outcome Agreements	6 December 2018
First draft outcome agreement submitted to SFC	10 December 2018
Feedback from SFC	By 31 January 2019
Indicative funding allocations announced	February 2019
Final Outcome Agreement submitted to SFC	by 30 April 2019
Final Funding allocations announced	May 2019
Outcome Agreement reviewed/approved by Learning & Student Experience Committee	30 May 2019
Outcome Agreement reviewed/approved by Board of Management	27 June 2019
Publication of outcome agreements	June 2019

5. Financial Implications

Please detail the financial implications of this item – There is potential for SFC to consider situations where there is a concern over a variation in delivery against Outcome Agreement commitments. This action would involve SFC considering – taking context and ambition into account – whether funding needs to be recovered; taking a holistic view of both good and unsatisfactory progress to arrive at its decision.

6. Equalities

Assessment in Place? – Yes No

If No, please explain why –

Please summarise any positive/negative impacts (noting mitigating actions) – The Outcome Agreement sets targets for students with protected characteristics, and aims to ensure that equality and diversity duties are met. Through the Equality Impact Assessment no negative impacts were identified.

7. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		
Medium		X
Low	X	
Very Low		

Please describe any risks associated with this paper and associated mitigating actions – There is a risk of financial claw-back if the College doesn't make satisfactory progress towards meeting its Outcome Agreement commitments.

Risk Owner – David Allison

Action Owner – David Allison

8. Other Implications –

Please indicate whether there are implications for the areas below.

Communications – Yes No

Health and Safety – Yes No

Please provide a summary of these implications – Onward communication to Scottish Funding Council

Paper Author – David Allison

SMT Owner – David Allison

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1. Purpose

To present members with the final drafts of the Revenue and Capital Budgets for 2019-20.

2. Recommendation

That members approve both the revenue and capital budgets for 2019-20.

3. Background

The College has to report on two different year ends based on two different accounting regimes. This paper considers the College's Revenue budget for the financial year, which runs from 1 August 2019 to 31 July 2020 and Capital budget, which runs 1 April 2019 to 31 March 2020.

With being a public body and the impact of Scottish Government Resource accounting, the measure for Colleges to monitor financial performance is the Underlying Operating position which adjusts for non-cash and one-off items, and takes account of loan repayments. SFC and Audit Scotland monitor this through the annual FFR exercise and the College's audited financial statements. FVC is expected to have an Underlying Surplus to generate sufficient cash to cover our loan repayments, but not substantially more than this amount to prevent cash being technically frozen.

4. FVC Funding

Funding Allocations	19/20 Final	18/19 Final	Variance against 18/19 Final	
				%
GIA		20,793,053		
ESOL		71,807		
18/19 NB costs consolidated		1,044,302		
	21,909,163	21,909,162	1	0.0%
ESF	480,023	478,510	1,513	0.3%
Total Teaching Grant	22,389,186	22,387,672	1,514	0.0%
19/20 National Bargaining	534,916			
	22,924,102	22,387,672	536,430	2.4%
Student Support	4,150,641	3,807,681		
Review of student support		140,238		
In year redistribution		342,960		
	4,150,641	4,290,879	(140,238)	-3.3%
Capital & Maintenance	438,000	686,107	(248,107)	-36.2%
New Falkirk Campus	22,700,000	42,000,000		
Credits	19/20 Final	18/19 Final	Variance against 18/19 Final	
				%
GIA (including Childcare)	84,201	84,201	0	
ESF	1,786	1,816	(30)	
	85,987	86,017	(30)	0.0%

Grant in Aid (GIA)

SFC announced the final funding allocations on 16th May 2019 for the Academic Year 2019-20. Overall, the College's GIA allocation has increased by 2.4% to £22,924k. This increase relates entirely to additional funding for National Bargaining of £535k to assist with the projected costs of implementing the agreed pay structure for teaching staff and the job evaluation for support staff. If you exclude the NB funding there is flat cash in credit related funding, and core credits remain unchanged at 84,201.

European Social Fund (ESF)

Funding for ESF has increased by £2k (0.3%) with an associated reduction of 30 credits, and will be delivered through the Developing Scotland's Workforce programme.

Student Support

Student support has decreased by 3.3% (£140k). However, the £140k included for the 2018-19 review of Student Support will not be required, as we received all of our request for additional funds in the in-year redistribution exercise, which has been consolidated in to our 2019-20 final allocation.

SFC is providing an inflationary increase of 5.9% for bursary payments for 2019-20 and given that we do not anticipate a significant underspend for 2018-19, the total funding of £4,151k may not be sufficient. However, SFC has advised that the in-year redistribution process will take place as usual, but there is no guarantee we will receive additional funds.

Flexible Workforce Development Fund

In the absence of specific information from SFC, we have made assumptions for the budget as to the funding that FVC will be able to access, which is in line with the previous 2 years.

Capital & Maintenance

For fiscal year 2019-20 FVC's budget is £438k for lifecycle maintenance and nothing for high priority backlog maintenance, an overall reduction of 36.2% (£248k). While there can be little argument over no allocation for backlog maintenance given Alloa and Stirling are relatively new campuses and there is capital funding for the new Falkirk Campus, no consideration is given to the fact that FVC has to top slice £159k of the lifecycle maintenance budget for interest payments. This does not apply to the majority of Colleges. See Appendix 3 for the projects proposed to be undertaken. As a consequence of the reduced funding, there are a number of capital and maintenance projects that we are unable to progress, and these are noted for information at Appendix 4.

It is worth noting that should this level of funding be maintained going forward, this is below the £1m lifecycle funding highlighted in the Decision Point 4 Report as being required to support the new Falkirk campus.

Capital Funding

The budget allocated by SFC also includes £22.7 million in respect of funding for the construction of the new Falkirk Campus.

5. Key Considerations

The revenue budget for 2019-20, as detailed in Appendix 1, shows an operational surplus of £233k. Although this is a small surplus, we know historically that there are always savings made within the salary budgets due to periods of vacancy whilst recruiting, giving a level of comfort. We will monitor the budget closely and, if necessary, at the Q2 forecast we will remove discretionary spend. The key assumptions and explanations are as detailed in Appendix 2.

As explained above FVC is required to generate an Underlying Surplus, and the reconciliation of our I&E operational position is as below:

Adjusted Operating Position		
	2019/20 Budget £'000	2018/19 Forecast £'000
Surplus/(deficit) before other gains and losses	(1,072)	(134)
<u>Add back:</u>		
Depreciation	1,299	296
Estates development costs	835	949
<u>Less:</u>		
ALF grant for estates development costs	(835)	(386)
Revenue funding allocated to loan repayments	(175)	(167)
Underlying Operating Position	52	558

The 2019-20 budget is impacted by the move to the new Falkirk campus as follows:

- Additional running costs of £104k as the 2 campuses run in tandem for one month, and rates for the new campus are higher than currently being paid.
- There will be no loss of commercial income as the Commercial & Training department is planning to delivery theory courses at this time to allow for workshops to be transitioned.

6. Financial Implications

The proposed budget delivers an operational surplus of £233k. In order to achieve this surplus certain items of expenditure have been left out of the budget, including a number of requested posts. Savings have also been made through restructuring of the teaching departments.

Certain categories of budgeted income carry additional risk this year, namely, the significant increase assumed for Foundation Apprenticeship income and the introduction of the Graduate Apprenticeship programme. Should these programmes not recruit as budgeted, there will be under-deployment within teaching departments that will require to be addressed.

We believe FVC continues to be under-funded in comparison to other Colleges across the sector. The College should continue to argue for a fair and transparent funding model for the sector to ensure a fair settlement for FVC.

It is worth highlighting that National Bargaining, in restricting our lecturers to 22 hours delivery through the no detriment clause, compared with other Colleges of 23+1 hours, has left Forth Valley College with an inefficiency, and an inbuilt cost of approximately £500k more than other Colleges to deliver the same teaching. This is not recognised by SFC in any of the National Bargaining funding scenarios.

7. Equalities

Assessment in Place? – Yes No

Not applicable given the nature of this report.

8. Risk

	Likelihood	Impact
Very High		
High		x
Medium	x	
Low		
Very Low		

There are specific risks to be highlighted at this time:

- Should the high level of income from Foundation Apprenticeships not materialise, management will have limited time to rectify the impact of the in-year loss.
- This is the first year of the Graduate Apprenticeship programme and recruitment is uncertain.
- The budget includes anticipated grant income of £252k towards the increased costs of the STSS pension scheme, which is unconfirmed.
- CITB income has been included for the 2018-19 and earlier cohorts totalling £104K. However, this is subject to CITB agreeing contract terms with FVC on the delivery for these groups.
- Should the move to the new Falkirk campus not go to plan, this could impact commercial income as scheduled courses could be cancelled, coupled with potential additional running costs.

Risk Owner – Alison Stewart

Action Owner – Alison Stewart

9. Other Implications –

Communications – Yes No

Health and Safety – Yes No

Paper Author – Senga McKerr

SMT Owner – Alison Stewart

1. Purpose

To inform members of projects the College wishes Forth Valley College Foundation to support during 2019/20, and into 2020/21.

2. Recommendation

That members note the content of this paper and approve

- the change to the process for submitting an application to the Foundation and
- the submission of the Annual Plan 2019/20 to the Forth Valley College Foundation.

3. Background

In March 2014 the Board of Management approved the following process in relation to the College requesting funding from Forth Valley College Foundation.

Prior to the start of each Academic Year, Forth Valley College will prepare an Annual Project Plan which will outline potential projects the College wishes the Foundation to support. This will be approved by SMT, the Strategic Development Committee and the Board of Management. Any in year changes to this plan will go through the same approval process as the original plan.

Individual grant applications will be made for each project and will be approved by SMT and the Strategic Development Committee prior to submission to the Foundation. Applications will be submitted in line with the scheduled meetings of the Foundation; however should an unexpected application be required, it will be possible to ask the Foundation to convene an additional meeting to consider the application.

Following the changes to the Board and Committee structure in 2018 it is proposed in future that the Board of Management approves the Annual Plan and that the Principal / Vice Principal Finance & Corporate Affairs are delegate authority to submit applications to the Foundation in line with the approved plan.

4. Annual Plan 2019/20

Project 1: IT Investment in Alloa and Stirling - £86k in Session 2019/20 & £156k in Session 2020/21.

As detailed in the Budget 2019/20 Board Paper the level of Capital and Maintenance Grant for 2019/20 from SFC has been cut again and now stands at £438k. This is against a minimum requirement of £1m for lifecycle maintenance only as detailed in the Decision Point 4 approval for the New Falkirk Campus. After top slicing the committed costs of interest on borrowing of £159k, that leaves £279k for maintenance and IT investment. This funding has been prioritised against legislative and Health & Safety maintenance leaving no funding available for investment in IT outwith the new Falkirk Campus.

One of the key themes of the College's Creative Learning & Technologies Strategy is to have consistent, reliable access to the right equipment, resources and support for our students. One of our commitments within the Strategy to achieve this is that all classrooms will be equipped with

a portable interactive board to promote flexible room layout and student interaction. Investment in IT through the new Falkirk campus is enabling this at Falkirk, however in the current capital allocation there is no funding to invest in this equipment in our Alloa and Stirling campuses. There was investment in Smartboards at both Alloa and Stirling when both campuses opened, however this equipment is now at the end of its shelf-life, and needs to be replaced to ensure we can provide a reliable and consistent resource to enable learning and teaching within these campuses. The ask is needs-based with the SmartBoards in the Alloa campus requiring to be replaced first, followed by the SmartBoard in Stirling, reflecting the age of the equipment at both campuses. Our request is to replace all SmartBoards in Alloa with portable interactive LCD screens in Session 2019-20 at a cost of £86k, and replace all SmartBoards in Stirling with portable interactive LCD screens in Session 2020-21 at a cost of £156k.

5. Financial Implications

If the Foundation refuses the grant funding the College will need to seek alternative sources of funding or delay the acquisition until funding is available.

6. Equalities

Assessment in Place? – Yes No

An equalities assessment is not applicable given the subject matter of the paper.

7. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		x
Medium		
Low	x	
Very Low		

There is a risk that if the College does not receive grant funding from Forth Valley College Foundation that the quality of the classroom IT equipment in Alloa and Stirling will become increasingly less reliable, and of a poorer quality than the equipment at our Falkirk campus, which will lead to a poorer experience for our students at our Alloa and Stirling campuses.

Risk Owner – Alison Stewart

Action Owner - Alison Stewart

8. Other Implications –

Communications – Yes No

Health and Safety – Yes No

Paper Author – Alison Stewart

SMT Owner – Alison Stewart

1. Purpose

To seek discussion and approval from members on the FVC Operational Plan for 2019/20.

2. Recommendation

That members discuss and approve the College's 2019/20 Operational Plan.

3. Background

The College's Operational Plan is a key component of our planning cycle underpinning the approved 2017-2022 Strategic Plan. The Strategic Plan clearly articulates the why and the what we intend to do over the five-year time period however we will require sequential and annual operational plans to define how we intend overtaking all our objectives. This will be the third operational plan under the current Strategic Plan.

4. Key Considerations

The Operational Plan 2019-20 has been developed with all SMT across the six Strategic Themes of the Strategic Plan, namely:

1. Creating a superb environment for learning
2. Cultivating a vibrant learning organisation where learners develop skills, achieve qualifications valued by industry and progress seamlessly
3. Instilling an energy and passion for our people, celebrating success and innovation
4. Leading as a business that is a champion for governance, financial control and balanced risk taking
5. Enhancing our position as the business and community partner of choice
6. Delivering a whole system approach. Simple, effective and consistent.

Appendix 1 shows the Operational Plan which uses the 19 strategic objectives from the five-year Plan as headlines in the Operational Plan 17-18. There are 39 Operational objectives with clear performance measures reported to SMT and the Learning & Student Experience Committee on a quarterly basis. The Operational Plan will also directly influence the Departmental Operational Plans and then to individual staff PRD's.

5. Financial Implications

Please detail the financial implications of this item – Resourcing for the Operational Plan 19-20 is undertaken through the annual budgeting process.

6. Equalities

Assessment in Place? – No

If No, please explain why – The Operational Plan 2019/20 is a top level planning document and covers year 3 of the five-year Strategic Plan. OP 19 ensures we will ensure all activities reflect the key principles of equality and diversity to achieve an inclusive organisation.

7. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High	*	*
Medium		
Low		
Very Low		

Please describe any risks associated with this paper and associated mitigating actions –

The Operational Plan is a key planning tool for the College and will dictate the direction of travel and resourcing requirement in order to overtake year two of the Strategic Plan 2017-22. Failure to have a plan in place will result in a scattergun of activity with no clear vision or direction.

Risk Owner – Ken Thomson

Action Owner – David Allison (reporting)
Stephen Jarvie (Author)

8. Other Implications –

Please indicate whether there are implications for the areas below.

Communications – Yes – through eFOCUS as an internal document and circulated to all Heads

Health and Safety –No

Paper Author – Ken Thomson

SMT Owner – Ken Thomson

DRAFT OPERATIONAL PLAN

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Strategic Theme 1 - Creating a Superb Environment for Learning – Depute Principal and Chief Operating Officer

Strategic Objective - We will maximise benefit from first class facilities, resources and services			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP1 - Providing flexible learning spaces and environments, delivering benefits to our students, our community and local employers	<ul style="list-style-type: none"> • New Falkirk Campus build progressing in line with established programme 	<ul style="list-style-type: none"> • Building operational 	February 20
OP2 - Increasing flexibility in opening hours to maximise use of campuses all year round	<ul style="list-style-type: none"> • Increase availability of campuses to wider community through updated opening hours 	<ul style="list-style-type: none"> • Increased opening times leads to increase in utilisation 	June 20
OP3 - Providing an effective life cycle and maintenance strategy across all our campuses	<ul style="list-style-type: none"> • Ensure contracted service levels are met at all times 	<ul style="list-style-type: none"> • Monthly management meetings to review progress against agreed KPI's 	July 20

Strategic Objective - We will deliver a new Falkirk campus			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP4 - Manage the successful completion on time and within budget.	<ul style="list-style-type: none"> • Ensure project compliance with timescales and budgets • Continue governance oversight of project 	<ul style="list-style-type: none"> • Monthly reports from main contractor and project manager to ensure programme and budget are on target • Regular reporting to the Falkirk Campus Project Board using dashboard format 	<p>January 20</p> <p>January 20</p>

Strategic Objective - We will deliver fully flexible and digitally enabled campuses which are future proof and fully enabled for our learning communities			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP5 - A College wide Creative Learning and Technologies strategy which is embedded throughout all campuses	<ul style="list-style-type: none"> • Embed a learning and teaching mentoring programme and CLPL opportunities which support staff to reflect on and develop their practice and to provide evidence for College evaluation • Develop opportunities for staff to share digital pedagogical practice, develop their skills and to collaborate and experiment 	<ul style="list-style-type: none"> • 100 lecturers, including all new lecturers, have participated in mentoring during 2019-2020 and resulting enhancement actions are included in team evaluation reports • Monthly efocus case study articles published • Fujitsu Hub in Stirling in place used by staff for drop in sessions on technology enhanced learning. 	<p>July 20</p> <p>July 20</p> <p>July 20</p>

Strategic Objective - We will embed sustainability, equalities and health and safety			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP6 - Deploying and evaluating innovative approaches to sustainability and energy conservation, embedding technology and reducing our carbon footprint.	<ul style="list-style-type: none"> • Continue to reduce the College CO2 footprint to support ambition of 25% reduction from 2008/9 levels by 2020 • Monitor and achieve targets for BREEAM in new Falkirk Campus Construction 	<ul style="list-style-type: none"> • Reducing College staff business annual travel miles to below 295,000 miles for 2019/20 • Improvement on existing reduction levels (21.24% in 2018/19) • Project Manager reports showing positive movement towards BREEAM target of 60.46% 	<p>July 19</p> <p>July 19</p> <p>January 20</p>
OP7 - Promoting a positive record for health and well being	<ul style="list-style-type: none"> • Contribute to the enhancement of the College's Health and Safety position 	<ul style="list-style-type: none"> • Achieve KPIs contained within health and safety strategy 	<p>July 20</p>

Strategic Theme 2 - Cultivating a vibrant learning organisation where learners develop skills, achieve qualifications valued by industry and progress seamlessly – Vice Principal Learning and Teaching

Strategic Objective - We will deliver streamlined and successful learner journeys			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP8 – Working with partners to enable effective and efficient learner journeys through the whole education system	<ul style="list-style-type: none"> • Increase uptake, attendance and achievement on school/college partnership programmes including Foundation Apprenticeships' Senior Phase Vocational Pathways and wider pupil inspiration activity • Implement online attendance and progress monitoring system for all school-college partnership provision and further develop systems and processes for capturing transition information. • Analyse uptake of existing articulation agreements, identify barriers to advanced standing and work with university partners to remove barriers 	<ul style="list-style-type: none"> • Regional Outcome Agreement targets for 2019-2020 achieved for volume of school partnership activity (Outcomes 2a-c) and school pupil achievement (Outcome 4c); More than 80% of 2020-2021 school/college partnership places filled. 	June 20
		<ul style="list-style-type: none"> • 450 new starts enrolled on Foundation Apprenticeship programmes for 2020-2021 	August 20
		<ul style="list-style-type: none"> • Schools portal developed, linked to Student Support System and tested. 	August 20
		<ul style="list-style-type: none"> • Pupil transition information for 2020-2021 students (school-college partnership and school leavers) provided by all Forth Valley secondary schools 	August 20
		<ul style="list-style-type: none"> • Review of articulation agreements against SFC data completed and action plan for next steps created. 	August 20

OP9 - Actively engaging employers with curriculum design to meet future skills demand	<ul style="list-style-type: none"> • Active employer/external stakeholder engagement in curriculum planning and delivery across all subject areas 	<ul style="list-style-type: none"> • Evidence the impact of external stakeholder/employer engagement in curriculum design and delivery (in every programme team evaluation report and department operational plan) 	October 19
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Strategic Objective - We will maximise creative and digital approaches to learning			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP10 - Embedding engaging, collaborative, creative and blended approaches to learning	<ul style="list-style-type: none"> • Work with HR and Directors of Curriculum to develop a college-wide approach to ensure that all teaching staff are working within the expectations of the new Professional Standards for Lecturers and the FVC Creative Learning and Technologies Strategy • Embed a learning and teaching mentoring programme and CLPL opportunities which support staff to reflect on and develop their practice and to provide evidence for College evaluation • Develop opportunities for staff to share digital pedagogical practice, develop their skills and to collaborate and experiment 	<ul style="list-style-type: none"> • System development and ready for roll out in August 2020. • 100 lecturers, including all new lecturers, have participated in mentoring during 2019-2020 and resulting enhancement actions are included in team evaluation reports • Monthly efocus case study articles published • Fujitsu Hub in Stirling in place used by staff for drop in sessions on technology enhanced learning 	<p>July 20</p> <p>July 20</p> <p>July 20</p> <p>July 20</p>

<p>OP11 - Having staff and students who are digitally competent and confident</p>	<ul style="list-style-type: none"> • Design a system to link the lecturer digital competence framework with the learning resources that have been created, linked to the Lecturer Professional Standards, to enable a robust and joined-up self-assessment and learning system for roll-out throughout 2020-2021 • All full-time students for 2020-2021 are provided with information and support on the key technologies they will need to be able to use to learn at FVC. 	<ul style="list-style-type: none"> • All new lecturers will have completed self-assessment and associated learning through the mentoring process. • The lecturer digital competence system is ready to be rolled out to all lecturing staff by August 2020. • All FT students for 2020-2021 have received pre-entry information about the technologies they will need to be able to use to learn effectively at FVC. • A suite of accessible and useful learning resources for students on the use of technologies to enhance learning has been created and ready for use in August 2020. 	<p>July 2020</p> <p>August 20</p> <p>July 20</p> <p>August 20</p>
<p>OP12 - Providing resources to support learning which are available digitally; inclusive; and accessible</p>	<ul style="list-style-type: none"> • Increase the number of units/subjects that have a Moodle course adhering to the stated FVC standard in terms of content, activities and usage. 	<ul style="list-style-type: none"> • Expected Moodle course content, activities and usage clearly communicated to staff • All Moodle courses include appropriate resources and activities for students to extend their learning beyond class contact time (e.g. videos for flip learning) • All new Moodle courses and 25% of each lecturer's existing courses meet the stated FVC standard • All staff have prepared a plan to update 50% of their remaining 	<p>August 19</p> <p>June 20</p> <p>June 20</p> <p>June 20</p>

	<ul style="list-style-type: none"> • Increase the use of online platforms for the submission, and marking of assessment evidence and the provision of feedback. 	<p>existing Moodle courses to the expected format and standard in each of the next 2 years (by June 2022)</p> <ul style="list-style-type: none"> • All teaching staff are using digital submission and marking for essay, assignment and portfolio based assessments and other assessments not requiring exam conditions. 	June 20
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Strategic Objective - We will prepare our students to stand out in the future job market			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP13 - Preparing successful students for positive and sustainable destinations	<ul style="list-style-type: none"> • Sustain current high levels of leavers moving into positive destinations 	<ul style="list-style-type: none"> • All team evaluation reports plan and track actions to improve/enhance the positive destinations of successful FT students • 2018-2019 Regional Outcome Agreement target of 93% of full-time 2017-2018 college leavers in positive destinations achieved • 2019-2020 Regional Outcome Agreement target of 95% of full-time 2018-2019 college leavers in positive destinations achieved 	<p>September 19</p> <p>October 19 (confirmed data)</p> <p>March 20 (provisional data)</p>
OP14 - Developing students whose skills ensure the best opportunity in the job market	<ul style="list-style-type: none"> • Increase the number of students benefiting from work experience as part of their College programme of study. 	<ul style="list-style-type: none"> • work placement secured for all Year 2 and 1 Year Foundation Apprentices in 2019-2020 • Work experience targets for full-time students (800) in Regional Outcome Agreement achieved 	<p>September 2019</p> <p>July 20</p>

	<ul style="list-style-type: none"> • Further develop curriculum partnerships with SERC to develop students' Meta-Skills 	<ul style="list-style-type: none"> • At least two successful partnership projects with SERC and/or other colleges delivered in each teaching department 	June 20
OP15 - Consistently being one of the top three Colleges in the Scottish FE sector for all student success	<ul style="list-style-type: none"> • All team evaluation reports plan and track appropriate actions to increase student retention and success. • Embed systematic use of college systems and data to maximise student success by targeting support where students need it most. 	<ul style="list-style-type: none"> • Regional Outcome Agreement targets for student achievement met for 2018-2019 • All programmes where student retention and/or success are at or below the national average or showing a downward three year trend have been subject to formal review • Embed the use of the PI prediction process; the progress flag in attendance registers and the Student Support System to target support • Regional Outcome Agreement targets for student achievement met for 2019-2020 	<p>October 19</p> <p>December 19</p> <p>October 19</p> <p>July 20</p>

**Strategic Theme 3 - Instilling an energy and passion for our people, celebrating success and innovation
– Depute Principal and Chief Operating Officer**

Strategic Objective - We will deliver streamlined and successful learner journeys			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP16 - Promoting an agile workforce, embracing innovation, facilitation, mentoring and peer support	<ul style="list-style-type: none"> • Implementation of people strategy 	<ul style="list-style-type: none"> • A new cohort of potential managers is being proposed to be launched in 2019-20 focusing on staff seeking their first managerial post 	December 19
OP17 - Developing future leaders ensuring effective succession planning	<ul style="list-style-type: none"> • CPD provision directed by talent management plans 	<ul style="list-style-type: none"> • 21 staff engaged in talent management initiative (13 current and 8 new). Selected by key management group and implemented on a rolling programme of development and successful completion of first cohort 	July 20
OP18 - Engaging staff in the future direction of the College and providing opportunities for professional development and collaborative initiatives to support our people	<ul style="list-style-type: none"> • Implement organisational change based on feedback from listening to employees 	<ul style="list-style-type: none"> • Staff Development – increased face to face by 60% 	July 20

Strategic Objective - We will ensure all College activities reflect the key principles of equality and diversity to achieve an inclusive organisation			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP19 - Fully integrated equality and diversity	<ul style="list-style-type: none"> • Deployment of Student Support System 	<ul style="list-style-type: none"> • Student Support System (SSS) fully embedded in all departments 	July 20

Strategic Objective - We will value staff and students by recognising and celebrating success			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP20 – Celebrating our staff and students	<ul style="list-style-type: none"> • Support Student Association to achieve their strategic and operational planning goals • Staff awards system to be developed to celebrate their successes 	<ul style="list-style-type: none"> • Demonstrable impact on achievement of SA targets which link clearly to the Strategic, operational and regional outcome plans • Utilise Listening to Employees to identify exceptional practice • Work with FVSA to obtain student views 	July 20

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Strategic Theme 4 - Leading as a business that is a champion for governance, financial control and balanced risk taking – Vice Principal Finance and Corporate Affairs

Strategic Objective - We will deliver financial security and sustainability			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP21 - Delivering approved budgets	<ul style="list-style-type: none"> Quarterly management accounts Year-end statutory accounts 	<ul style="list-style-type: none"> Budget approved by Board of Management met or exceeded 	July 20
OP22 - Identifying new partners and activity areas to grow income for reinvestment to benefit our staff, students and the community	<ul style="list-style-type: none"> Business Development Strategy Developed 	<ul style="list-style-type: none"> Delivery year 1 outcomes of Business Development Strategy 	July 20
OP23 - Having excellent financial reporting systems which support medium and long term planning and best value investment	<ul style="list-style-type: none"> Financial reports available to support all decision making Financial system upgraded 	<ul style="list-style-type: none"> Reports met the need of the user – internal & external System operates effectively 	July 20 June 20

Strategic Objective - We will maximise value for money and efficient practices			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP24 - Identifying opportunities for collaboration in service and procurement	<ul style="list-style-type: none"> Produce report on performance against Procurement Strategy Produce annual report on Fundraising strategy 	<ul style="list-style-type: none"> Increased uptake of available collaborative frameworks to 55% of spend 10 Successful grant applications/sponsorships 	July 20 July 20
OP25 - Implement efficiencies through business transformation projects	<ul style="list-style-type: none"> All core College strategies fully costed and 5 year business plan developed and approved by the Board of Management 	<ul style="list-style-type: none"> Implementation of efficiency plans for start of 2020/21 in line with the plan 	July 20

Strategic Objective - We will lead by example through strong governance			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP26 - Basing our strategic decisions for investment and the use of resources on robust information and review of risk	<ul style="list-style-type: none"> • Risk Appetite and Strategic Risks set by the Board of Management • Board of Management Strategic Discussions & Decisions 	<ul style="list-style-type: none"> • Strategic risk Register considered by Audit Committee on quarterly basis • Successful implementation of Board of Management decisions 	<p>July 20</p> <p>July 20</p>
OP27 - Enabling a high performing, truly transformational learning community through sound governance, leadership and strategic planning	<ul style="list-style-type: none"> • Board meetings/strategic Discussions • Board Development Plan 	<ul style="list-style-type: none"> • Increased Board of Management awareness of wider college sector operating environment • Plan fully implemented in line with timescales 	<p>July 20</p> <p>December 20</p>

Strategic Theme 5 - Enhancing our position as the business and community partner of choice – Vice Principal Finance and Corporate Affairs / Depute Principal & Chief Operating Officer

Strategic Objective - We will maximise commercial opportunities			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP28 - Implementing a Marketing and Communications Plan which fully supports the commercialisation plan	<ul style="list-style-type: none"> • Continue to increase visibility of College commercial offering 	<ul style="list-style-type: none"> • Marketing material on line and targeted campaigns run to help meet recruitment targets 	July 20

Strategic Objective - We will collaborate with employers and our community to develop and deliver training and skills requirements			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP29 - Fully engaging with employers to recognise the value and benefits of college delivery in terms of developing the skills of their workforce	<ul style="list-style-type: none"> • Work with employers to ensure the skills and training offered meets their current needs and prepares students for future challenges • Utilise new links to employers through FWDF to increase commercial activity levels • Continue to promote the benefits of Foundation and other apprenticeship paths to employers 	<ul style="list-style-type: none"> • Flexible Workforce Development Fund for 2019/20 is fully utilised • 50% of new employers engaged through FWDF successfully transitioned to other commercial courses • Increased employer engagement Levels by 20% 	<p>June 20</p> <p>July 20</p> <p>July 20</p>
OP30 - Developing and growing our Modern Apprenticeship activity	<ul style="list-style-type: none"> • Engage with SDS on MA levels and funding 	<ul style="list-style-type: none"> • Increase of 5% in starts on 2019/20 contract 	March 20

Strategic Objective - We will grow and influence strategic partnerships			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP31 - Ensuring our place as a prominent partner in supporting a region wide skills development and economic strategy	<ul style="list-style-type: none"> • Continue to engage at local, national and regional level with key skills development groups to represent the FE perspective 	<ul style="list-style-type: none"> • College staff active on a number of key identified groups promoting the contribution of the sector as a whole and the College in particular 	July 20
OP32 - Being recognised as active leaders in business and the community; providing ideas, resource and influence	<ul style="list-style-type: none"> • Promote engagement with key groups such as CPP and relevant strategic sub groups 	<ul style="list-style-type: none"> • Appropriate staff identified and participating in relevant groups 	July 20
OP33 - Continuing to build strategic partnerships to deliver opportunity in securing funding sources and developing commercial opportunities	<ul style="list-style-type: none"> • Identify and secure new strategic partnerships to secure non-SFC funding 	<ul style="list-style-type: none"> • Increase non SFC income levels as per the Business Development Strategy for year 1 	July 20

Strategic Theme 6 - Delivering a whole system approach. Simply effective, efficient and consistent – Vice Principal Information Systems & Communications

Strategic Objective - We will deliver a safe, robust and agile IT infrastructure			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP34 - Identifying, planning and deploying new technology and system developments to be sector leading	<ul style="list-style-type: none"> • Commissioning of new 100Gb core network infrastructure in the new Falkirk campus • Implement upgraded wifi to improve user experience • Introduction of new interactive screens in the new Falkirk and Alloa campuses to enhance student experience 	<ul style="list-style-type: none"> • Fully tested network in place for move to new campus • All wireless access points installed and commissioned at the new Falkirk campus • Over 90 screens configured and deployed in the new Falkirk campus, with 25 screens deployed in our Alloa campus 	<p>December 19</p> <p>January 20</p> <p>January 20</p>
OP35 - Providing a long term investment plan to modernise IT equipment, resources, infrastructure and support in response to staff and student expectations	<ul style="list-style-type: none"> • Investing in laptops to support students to access learning and teaching resources 	<ul style="list-style-type: none"> • Laptops available in every classroom within our Falkirk Campus 	<p>January 20</p>

Strategic Objective - We will enable and support students and staff to take full advantage of IT			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP36 - Providing our students and staff with excellent support	<ul style="list-style-type: none"> • Improve reporting and monitoring of i-support response timescales • Guidance notes created for key new systems 	<ul style="list-style-type: none"> • All support calls triaged within 1 day • Interactive screen notes created • User notes created for the Student Support System 	<p>July 20</p> <p>January 20</p> <p>January 20</p>

	<ul style="list-style-type: none"> • A directory of available software highlighted to staff 	<ul style="list-style-type: none"> • A listing of all software, with a brief explanation, made available to staff • New process launched to streamline how staff can identify new software and packages to enhance learning and teaching 	<p>September 19</p> <p>November 19</p>
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Strategic Objective - We will make information work for us			
2019/20	Performance Measures 2019/20	What Success Looks Like	By When
OP37 - Realising the benefit of strong marketing and communication for internal and external engagement	<ul style="list-style-type: none"> • Continue to promote the new Campus through the New Falkirk Campus Communication Plan 	<ul style="list-style-type: none"> • Key milestones of the New Falkirk Campus Communication Plan met 	March 20
OP38 - Developing and modernising a “One College System” ensuring all processes are digital	<ul style="list-style-type: none"> • Continued roll out of Onefile system • Student Support System live across College • Digitalisation project launched across key areas 	<ul style="list-style-type: none"> • Onefile deployed in all applicable areas • Successful launch and use of the system • New scanners purchased and in use 	<p>July 20</p> <p>December 19</p> <p>August 19</p>
OP39 - Using learner analytics enable us to more effectively utilise our data to support students	<ul style="list-style-type: none"> • Investigate the integration of learner analytics information within the Student Support System • Student Attainment tracker and progress reporting embedded into Student Support System 	<ul style="list-style-type: none"> • Sector learner analytics developments investigated and integrated into our Student Support System to help identify earlier, students not engaging in their course • Successful integration between the systems to provide more holistic information to staff 	<p>September 20</p> <p>January 20</p>

	<ul style="list-style-type: none">• Investigate the further use of additional data sets such as Moodle and new Library Management System within core analytics	<ul style="list-style-type: none">• Investigation into additional datasets completed and key metrics identified	April 20
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Synergies between Operational Plan and Key College Strategies

	People Strategy	Business Development Strategy	Creative Learning and Technology Strategy	Evaluative Report and Enhancement Plan
Strategic Theme 1			X	
Strategic Theme 2			X	X
Strategic Theme 3				
Strategic Theme 4				
Strategic Theme 5		X		
Strategic Theme 6	X		X	X

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1. Purpose

To present the Final Draft of the Staff Cultural Survey.

2. Recommendation

That members approve the dissemination of the cultural Survey (attached)

3. Background

Following the success of the Staff Cultural Survey undertaken in 2013 and again in 2016 a third survey was launched in December 2018. To clearly measure the data from this survey it was decided to use the same format and set of questions in the previous survey. This enabled us to benchmark the data and ascertain the differences both positive and negative over the 3 year period from the previous survey. The Cultural Survey has gone through detailed analysis and is now ready to be shared across the organisation.

4. Key Considerations

Given the highly positive findings of the 2016 survey, strong upwards shifts were not expected however there have been notable positive improvements in findings and stability in results elsewhere.

This is clearly shown in the data and detail of the report.

As in previous years we have included both comments from staff and actions to address any concerns that have come out as a result of the survey.

The Cultural Survey will be published upon approval from the Leadership Team and approval from the Board of Management before being launched to staff at the start of the academic year in August.

5. Financial Implications

There are no cost implications in the survey itself however the improvement plan may generate costs.

6. Equalities

Assessment in Place? – Yes No Non-Applicable

7. Risk

	Likelihood	Impact
Very High		
High		
Medium		
Low	X	X
Very Low		

Risks associated relate to reputational damage or of negative focus on aspects of the survey

Risk Owner – Andrew Lawson

Action Owner – Ralph Burns

8. Other Implications –

Health and Safety – Yes No

Paper Author – Ralph Burns

SMT Owner – Andrew Lawson

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Shaping the Future Making Learning Work

Your Say

EMPLOYEE CULTURAL ENGAGEMENT SURVEY 2019 - RESULTS

Shaping the Future Making Learning Work

Your Say

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INTRODUCTION FROM THE PRINCIPAL



As part of our on-going mission to 'Making Learning Work', I am delighted to be in a position to feedback the results from our third cultural survey. Once again we have received a very positive response to the survey from staff across the organisation, gaining an overall return rate of 71%, a 17% increase from the last survey.

This report includes a summary of findings from the 2019 survey, comparison of the key highlights from the 2016 survey and points for action.

We have also included an update on the 2016 Points for Action so staff can see where their views are having an impact.

As principal, I was extremely pleased to see where positive change has been made and more importantly, the survey has identified further areas for improvement. As a college, it is vital we continue to evolve and respond to the needs of our learners.

Thank you once again for taking the time to complete the survey. Your comments are extremely valuable, and by taking part in this process you help to shape the future direction of the College and contribute to Making Learning Work for our staff and students.

A handwritten signature in white ink on a purple background, reading "Ken Thomson".

Dr Ken Thomson
Principal

YOUR ROLE

We asked you questions about....

YOUR INDIVIDUAL ROLE AT THE COLLEGE IN RELATION TO:

- Role clarity
- Personal objectives and targets
- Communication and feedback
- Empowerment

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

Role Clarity

The majority of responses in relation to role clarity indicated that staff members are very clear about the expectations of their roles and their contribution to the team and the College as a whole.

Personal Objectives and Target Setting

A high number of responses identified that they had a good understanding of their job role and their role as part of the wider team. Respondents also indicated that they had clear objectives and understand how they are assessed. Many of the comments received under this topic highlighted a need to increase opportunities for personal development.

Communication and Feedback

More than half of the respondents indicated that they receive regular praise for their work and that they receive regular feedback. Comments also highlighted a need for increased feedback throughout the year, especially in relation to objectives. Responses also indicated that there needed to be increased opportunities for staff to discuss any problems or concerns with their managers or team.

Empowerment

From the responses, there is clear evidence that staff are trusted to do a good job and are challenged and motivated by the work they do. More success could be achieved by ensuring we fully utilise the individual strengths and expertise of our staff.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

72% of staff selected Agree or Strongly Agree statements - an increase from 2016 of 1%

17% of staff selected Neither Agree nor Disagree statements - an increase from 2016 of 1%

11% of staff selected Disagree or Strongly Disagree statements - a decrease from 2016 of 2%

POINTS FOR ACTION

- Continue to provide opportunity for personal development for staff
- Promote the use of regular 1:1 sessions with line managers throughout the year to provide regular feedback for staff on their objectives and to discuss any problems or concerns.
- Enhanced management commitment to the review and development process

Please refer to pages 16 and 17 to view the 2016 & 2019 charts.

COLLEGE PERFORMANCE

We asked you questions about....

YOUR UNDERSTANDING AND OPINIONS IN RELATION TO:

- The College's vision and purpose
- The information you receive about the College's performance
- Challenges facing the College and the future

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

The College's Vision and Purpose

Respondents indicated a strong understanding of the College's vision, purpose and the challenges we face as an organisation. The vast majority of respondents felt that there was a clear vision for the College and that they understood our strategies and goals. Some comments highlighted the need to communicate how individuals staff members or teams contribute to the overall college vision and goals.

The information you receive about the College's performance

The vast majority of respondents felt that they receive regular information about the performance of the College and did not indicate that they would like more information. Therefore, updates and briefings will continue to be an integral part of our internal communication plans.

Challenges facing the College and the future

A high number of responses indicated that they understood the challenges the College currently faces. Comments also suggested staff would like further clarity on the expectations of the College from external organisations. A small number of responses expressed concern over the future direction of the College and how roles will evolve.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

75% of staff selected Agree or Strongly Agree statements - no change since 2016

20% of staff selected Neither Agree nor Disagree statements - an increase from 2016 of 2%

5% of staff selected Disagree or Strongly Disagree statements - a decrease from 2016 of 2%

POINTS FOR ACTION

- Raise awareness of how individual staff members are contributing to the overall college vision and goals
- Continue to update staff on the performance of the College – however provide more information on the future direction
- Raise awareness of expectations of external organisations that we work with

Please refer to page 18 to view the 2016 & 2019 charts.

'The College is a friendly place to work'

6% INCREASE IN STAFF AGREEING SINCE 2013

EFFECTIVENESS OF TEAMS AND WORKING RELATIONSHIPS

We asked you questions about....

EFFECTIVENESS OF TEAMS AND WORKING RELATIONS INCLUDING:

- Inter team relations and appreciation of function
- Team relations
- Communication, feedback and review

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

Inter team relations and appreciation of function

The responses in this area indicated that team work and relations continue to be good across the College. More than half of the respondents stated that relations between teaching and support staff were good. Some responses suggested there was a need for improved understanding of roles and functions between departments and campuses to further improve on inter team relations

More than half of respondents felt that their team relations within their immediate team were good as well as their ability to work effectively as a team.

Team relations

There was a very strong indication of positive relationships within individual teams across the College with comments highlighting a high level of support from colleagues. A small number of comments have highlighted that openness and sharing of practice is an area which some staff members feel could be improved. Staff would also like more opportunities to collaborate with team members.

Communication, feedback and review

A high number of respondents felt that the College has effective communication systems in place for sharing successes and good practice, particularly within teams or departments. This could be an area for improvement to ensure that "good practice" is more widely shared across the College.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

66% of staff selected Agree or Strongly Agree statements - a decrease from 2016 of 3%

20% of staff selected Neither Agree nor Disagree statements - an increase from 2016 of 2%

14% of staff selected Disagree or Strongly Disagree statements - an increase from 2016 of 1%

POINTS FOR ACTION

- Develop greater understanding of roles and functions between departments and campuses
- Continue to provide and encourage opportunities for team collaboration
- Share good practice more widely across the College

Please refer to page 19 to view the 2016 & 2019 charts.

MY MANAGER

We asked you questions about....

YOUR RELATIONSHIP WITH YOUR LINE MANAGER, PARTICULARLY:

- Recognition and feeling valued and cared for
- Motivation and support
- Feedback and approachability

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

Recognition and feeling valued and cared for

The majority of respondents felt positive about the recognition they received from their managers and believe that they are valued. Several comments stated that their line managers were extremely supportive and encouraging. Others indicated that they would like more interaction between themselves and their managers.

Motivation and support

More than half of respondents felt motivated by their line managers to do a good job and they indicated that they received regular guidance to continually improve their performance.

Feedback and approachability

From the responses, there is clear evidence that staff feel positively about feedback and approachability. The majority of respondents feel their managers consider their views, take action on feedback and staff feel confident to approach their managers with any concerns. Some respondents wanted more support and discussion from their line managers.

'My manager cares for me a person'

10% INCREASE IN STAFF AGREEING SINCE 2013

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

73% of staff selected Agree or Strongly Agree statements - an increase from 2016 of 1%

18% of staff selected Neither Agree nor Disagree statements - an increase from 2016 of 2%

9% of staff selected Disagree or Strongly Disagree statements - a decrease from 2016 of 3%

POINTS FOR ACTION

- Support increased opportunities for Line Managers and staff to discuss performance
- Encourage increased interaction between Line Managers and staff to create a more open and supportive culture

Please refer to page 20 to view the 2016 & 2019 charts.

ORGANISATIONAL LEADERSHIP

We asked you questions about....

THE MANAGEMENT OF THE COLLEGE IN RELATION TO:

- Leadership and decision making
- Communication and feedback
- Trust and confidence

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

Leadership and decision making

More than half of respondents indicated that they were confident that College Management provided clear leadership. Several comments highlighted that staff members felt that College Management sought out ideas and feedback when making decisions. Some staff still feel that a more effective means of cascading key decisions, news and updates is required for greater transparency.

Communication and feedback

The majority of the responses indicated that the College management communicate effectively and staff are briefed honestly about major college issues. From the comments provided staff feel that improved cascading of information is required at different levels of the organisation and that more staff should be able to influence decision-making within the College. A positive outcome of the survey was the cross-college use of our weekly e.focus e-zine and this will provide a good basis to improve our overall internal communications.

Trust and confidence

Responses indicated there were many variances of management throughout the organisation in terms of quality, consistency and style. It is clear that improvements in lines and methods of communication are required in order to meet the needs and expectations of staff throughout the organisation.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

49% of staff selected Agree or Strongly Agree statements - no change from 2016

34% of staff selected Neither Agree nor Disagree statements - an increase from 2016 of 2%

17% of staff selected Disagree or Strongly Disagree statements - a decrease from 2016 of 2%

POINTS FOR ACTION

- Increase awareness around key decision making
- Provide opportunities for staff to influence decision making
- Support Line Managers in sharing information throughout the college

Please refer to page 21 to view the 2016 & 2019 charts.

COLLEGE CULTURE & VALUES

We asked you questions about....

THE CULTURE OF THE COLLEGE IN RELATION TO:

- The future of the College
- College values
- Respect

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

The future of the College

The vast majority of respondents indicated that they had confidence in the future of the College and that overall they felt that the College was in a strong position. A small number of comments voiced concern over the future of the College in relation to the impact felt from external organisation's decisions and expectations.

College values

A high number of respondents believe the College lives up to its values and promises and an even higher proportion thought the College values were recognisable in their day-to-day working life. A few comments indicated that staff would like a clearer outline of how staff should better represent these values on an individual or team level.

Respect

The majority of respondents felt that they are treated with respect by their colleagues. A small number of comments made have highlighted that this could be improved on a wider level between teams.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

71% of staff selected Agree or Strongly Agree statements - an increase from 2016 of 3%

23% of staff selected Neither Agree nor Disagree statements - a decrease from 2016 of 1%

6% of staff selected Disagree or Strongly Disagree statements - a decrease from 2016 of 2%

POINTS FOR ACTION

- Continue to provide information about partnerships with external organisations and the impact these have on the College
- Increase awareness of how college values can be demonstrated on an individual or department level
- Enhance cross college understanding of roles and department functions along with challenges

Please refer to page 22 to view the 2016 & 2019 charts.

'I am confident about the future of the College'

10% INCREASE IN STAFF AGREEING SINCE 2013

STAFF MORALE

We asked you questions about....

THE CULTURE OF THE COLLEGE IN RELATION TO:

- Staff morale in the College

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

Staff morale in the College

Responses within this section were varied. A number of respondents believed that staff morale was high and we want to build on this positive position. A number also indicated that they felt staff morale was deteriorating. The comments raised highlighted the differences in morale amongst teams and the impact of external influences on staff morale such as industrial action.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

36% of staff selected from the 'High' options - a decrease from 2016 of 1%

36% of staff selected from the Neither High or Low options - an increase from 2016 of 3%

28% of staff selected from the 'Low' options - a decrease from 2016 of 2%

POINTS FOR ACTION

- Continue to provide information on external influences on the College and impact
- Provide reassurance and transparency

'I get an honest response from my manager to any question I raise'

8% INCREASE IN STAFF AGREEING SINCE 2013

Please refer to page 23 to view the 2016 & 2019 charts.

COLLEGE ENVIRONMENT

We asked you questions about....

THE MANAGEMENT OF THE COLLEGE IN RELATION TO:

- Pride and perception of Forth Valley College
- Equality and respect
- Encouragement to learn from each other and be innovative
- Recognition and shared approach to work
- Staff benefits

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

Pride and perception of Forth Valley College

More than half of respondents said they were proud to be an employee of the College. Overall this was a very positive section. There were a small number of comments indicating that some staff members felt undervalued and that their work was not as recognised as it could be.

Equality and respect

A large majority of responses felt that there is a mutual respect between staff at all levels of the organisation and a high proportion indicated that they are treated equally irrespective of their gender, age, ethnicity etc. Again, it was highlighted that respect can vary between functions and more cross college understanding of roles and departments may be needed, along with further interaction between teaching and support staff to improve this.

Encouragement to learn from each other and be innovative

From the responses, there is clear evidence that staff feel that they are encouraged to learn from each other. Some comments stated that although staff are encouraged to be innovative and learn from each other, there could be more opportunities to do this.

Recognition and shared approach to work

Around half of respondents felt that other departments recognised and supported the work they did and a similar number felt that the College continuously looked to 'quality improve'. A few comments highlighted the need to look at quality and how this is measured.

Staff benefits

More than half of respondents answered positively that they feel that the College supports health and wellbeing and offers a wide variety of benefits. Some comments indicated the need to promote these benefits more widely.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

70% of staff selected Agree or Strongly Agree statements - an increase from 2016 of 2%

21% of staff selected Neither Agree nor Disagree statements - no change from 2016

9% of staff selected Disagree or Strongly Disagree statements - a decrease from 2016 of 2%

POINTS FOR ACTION

- Encourage opportunities for staff to be recognised for their work
- Enhance cross-college understanding of roles and department functions along with challenges
- Encourage further interaction between teaching and support staff along with opportunities to collaborate
- Increase understanding about quality and how it is measured
- Promote staff benefits more widely

Please refer to page 24 to view the 2016 & 2019 charts.

COLLEGE IMPACT & ACHIEVEMENTS

We asked you questions about....

YOUR OPINIONS IN RELATION TO:

- How the College treats its customers and its success in supporting learners
- The College's external reputation
- The recruitment of high quality staff to the College

KEY FINDINGS

SUMMARY OF KEY FINDINGS FROM 2019 SURVEY

How the College treats its customers and its success in supporting learners

The vast majority of responses indicated that they believe the College ensures that students are the priority of the College and that we support learners from all backgrounds. A small number of staff expressed concern over viewing students as customers.

The College's external reputation

A high number of respondents felt that the College had a strong reputation amongst local schools and the local community and it is clear that staff feel we have good relationships with our employer partners. A high proportion of respondents felt that the College had a strong reputation amongst students as well.

The recruitment of high quality staff to the College

More than half of respondents felt that the College successfully recruits high quality staff. Some comments indicated that further support may be needed for newly qualified staff without vocational experience and that existing staff may benefit from increased opportunities to further develop skills and knowledge.

SURVEY RESULTS

This shows the differences between the 2016 and 2019 survey results.

- 75%** of staff selected Agree or Strongly Agree statements - an increase from 2016 of 1%
- 22%** of staff selected Neither Agree nor Disagree statements - no change from 2016
- 3%** of staff selected Disagree or Strongly Disagree statements - a decrease from 2016 of 1%

POINTS FOR ACTION

- Increased support for newly qualified staff with minimal vocational experience
- Continue to provide opportunities to develop knowledge and skills for staff

Please refer to page 25 to view the 2016 & 2019 charts.



PROGRESS ON 2016
POINTS FOR ACTION

PROGRESS ON 2016 POINTS FOR ACTION

Points for action	Update
<p>Increased management commitment to the Performance Review Process.</p> <p>Enhanced monitoring and on-going improvement plan for the Performance Review Process.</p> <p>Increased focus on effective PRDs.</p> <p>Increased staff involvement in the Performance Review Process and guidance issued to Line Managers.</p>	<p>The use of the PRD has been a topic of discussion over the past two years with work being done on the layout and recording aspects. Also the PRD was discussed as part of a Short Life Working Group where feedback from staff was gathered. Further review has just been completed and a complete revamp of the process will be launched in 2019-20 to better meet the needs of staff and allow the individual more control to drive their learning and development experiences.</p>
<p>Ensure regular 1:1 sessions set by Line Managers throughout the academic year to provide staff with an opportunity to discuss development opportunities and progression.</p>	<p>Line Managers are encouraged to carry out regular 1:1 sessions through the Performance Review Process.</p>
<p>Seek staff views on future CPD options as part of a platform for staff views to be heard.</p>	<p>Staff are integrated into Staff Development events where their ideas are sought, their participation is welcomed and their feedback is acted upon. Feedback on both support and academic SD has seen a positive spike in recent years. In addition a training needs analysis was undertaken in every department to better focus on staff needs in relation to college objectives.</p>
<p>Review and issue an overview of staff benefits.</p>	<p>An 'A to Z' infographic was developed which highlighted all staff benefits. This was promoted via e.focus and is also available to download on SharePoint.</p>
<p>Highlight and signpost staff to key college policies.</p>	<p>The HR page of SharePoint is developed to allow ease of access for all staff.</p>
<p>Issue regular communication about college Performance throughout the year.</p>	<p>As above.</p>
<p>Increase in information about the College Developments such as Estates project.</p>	<p>Information on the new Falkirk Campus is being communicated to staff through a variety of platforms. These include the College's website, a staff e.zine, SharePoint and a dedicated Twitter profile (@falkirkcampus).</p>
<p>Provide more information on the development of National Bargaining.</p>	<p>There are regular updates provided on national bargaining.</p>

<p>Create a platform for staff to make suggestions and influence decision making.</p>	<p>Staff are regularly invited to participate in 'Listening to Employees' forums and organisational planning sessions.</p>
<p>Develop resources for sharing best practice within teams and across College.</p>	<p>There are various platforms in place for staff to highlight best practice across the college.</p>
<p>Develop resources for sharing best practice within teams and across College.</p>	<p>There are various platforms in place for staff to highlight best practice across the college including e.focus, the College website, Moodle and Grapevine. There are also a range of multi-disciplinary groups across the College where employees can share ideas and offer specialist input.</p>
<p>Encourage support for an open and honest culture.</p>	<p>Staff are encouraged to voice their opinions and ideas in many ways including the employee cultural survey and the Listening to Employees forum.</p>
<p>Provide reassurance and transparency.</p>	<p>The College aims to promote transparency at all times and provides information to staff via various platforms.</p>
<p>Ensure each department conduct regular team meetings that are more informative.</p>	<p>This is actively encouraged by SMT and the HR team.</p>
<p>Improve Line Manager engagement with staff.</p>	<p>As above.</p>
<p>Review support mechanisms for students and student carers.</p>	<p>We launched a Carers Charter in 2018, showing how much we value the vital work done by carers and our commitment to supporting them.</p>

'My manager recognises my life outside work'

11% INCREASE IN STAFF AGREEING SINCE 2013

'I understand the strategies and goals of the College'

9% INCREASE IN STAFF AGREEING SINCE 2013

**EMPLOYEE CULTURAL ENGAGEMENT SURVEY
2016 & 2019 - Charts**

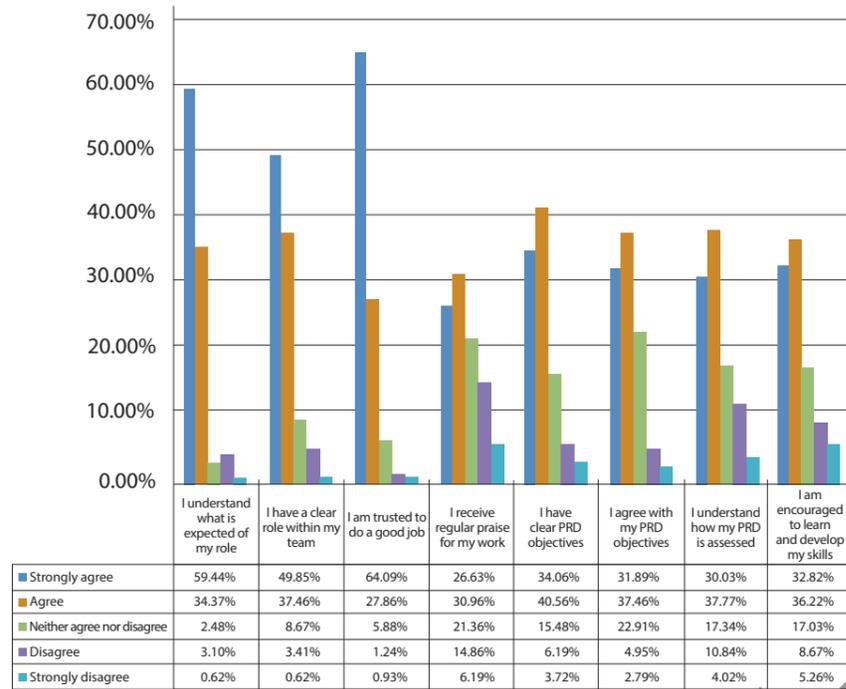
YOUR ROLE

We asked you questions about....

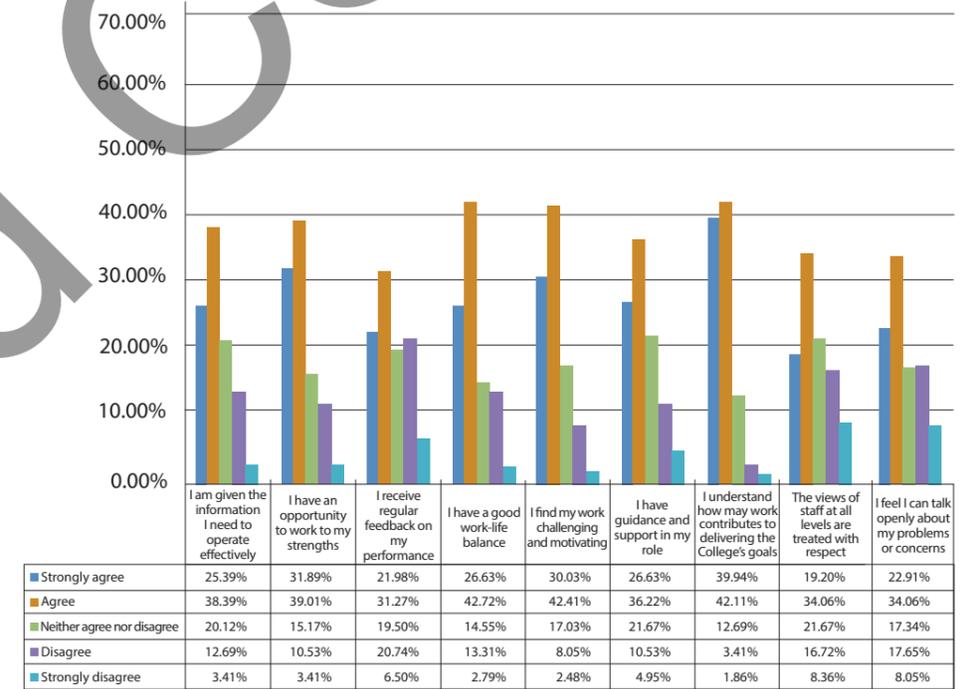
YOUR INDIVIDUAL ROLE AT THE COLLEGE IN RELATION TO:

- Role clarity
- Personal objectives and targets
- Communication and feedback
- Empowerment

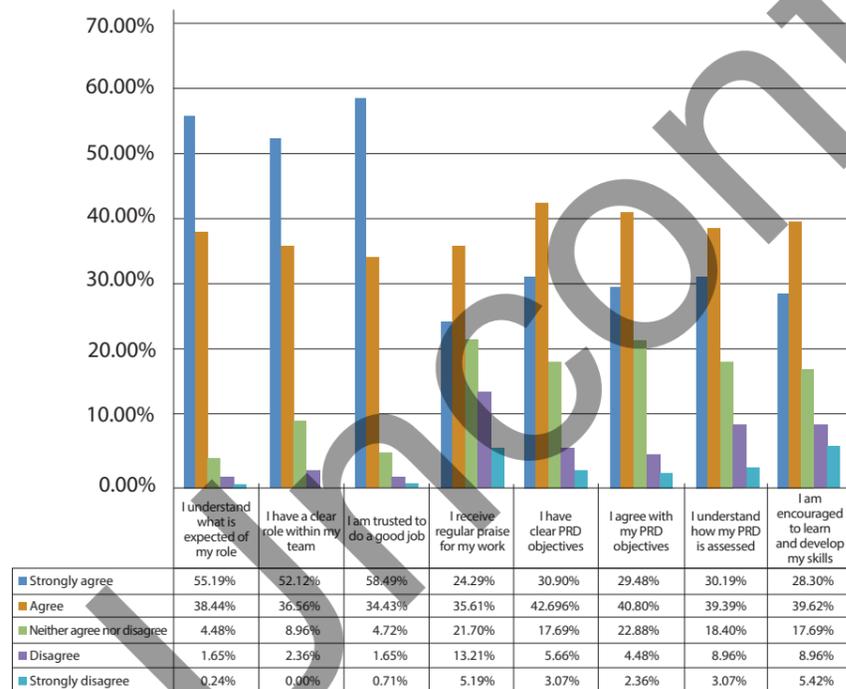
2016



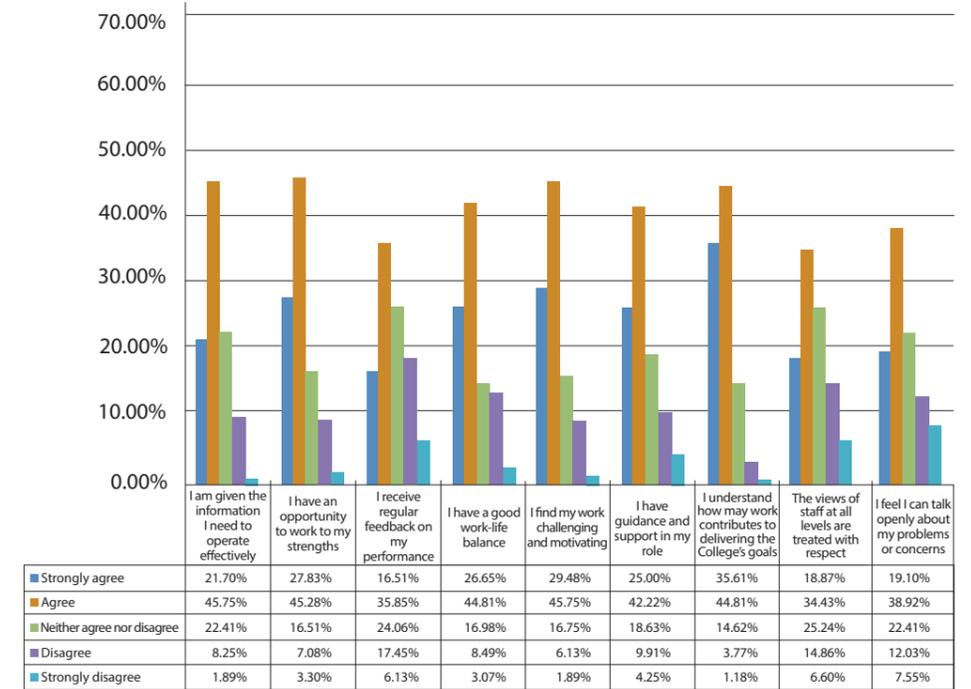
2016



2019



2019



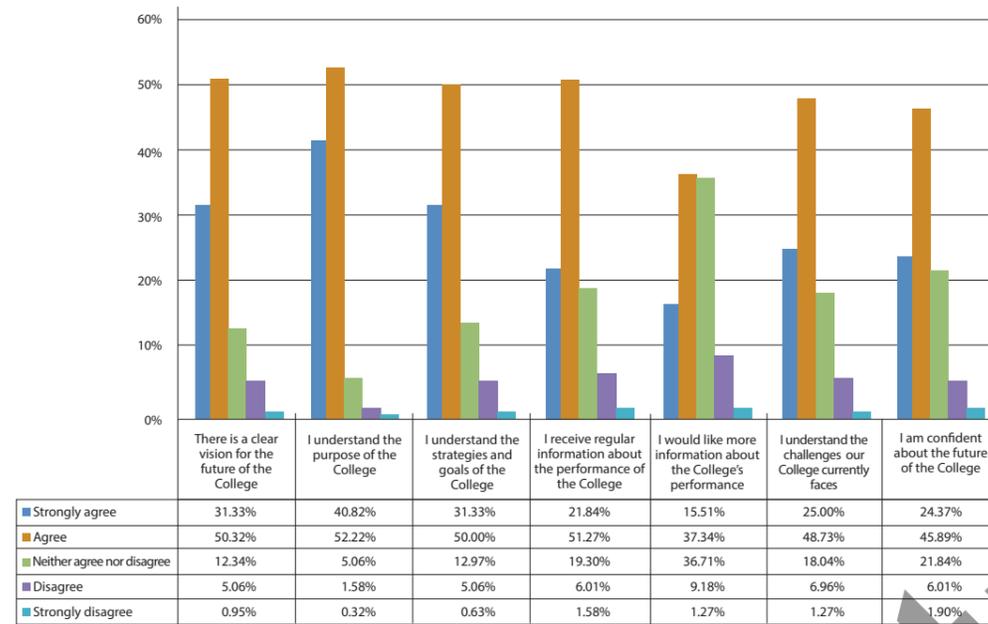
COLLEGE PERFORMANCE

We asked you questions about....

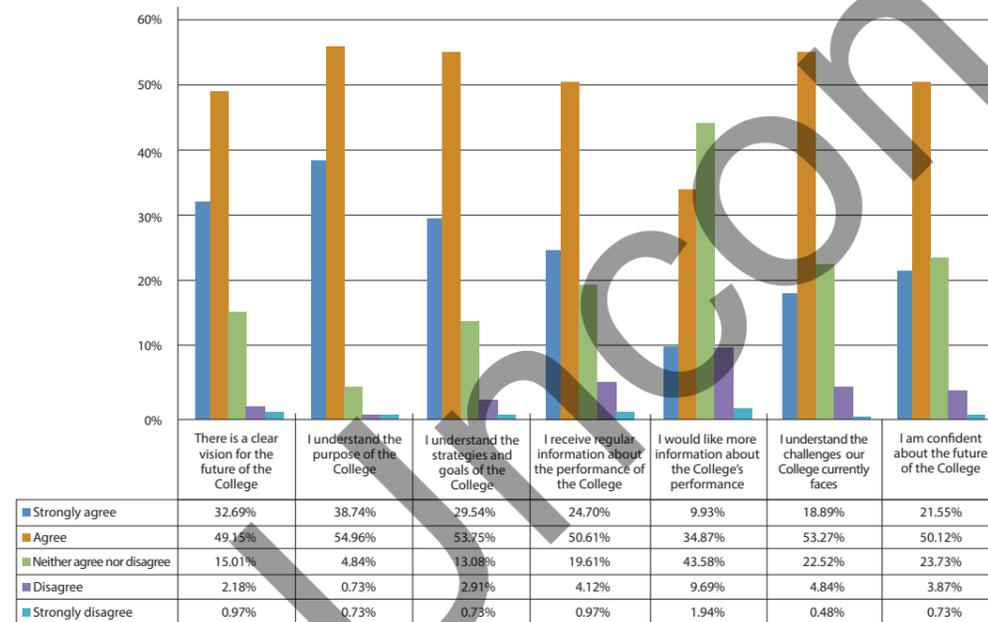
YOUR UNDERSTANDING AND OPINIONS IN RELATION TO:

- The College's vision and purpose
- The information you receive about the College's performance
- Challenges facing the College and the future

2016



2019



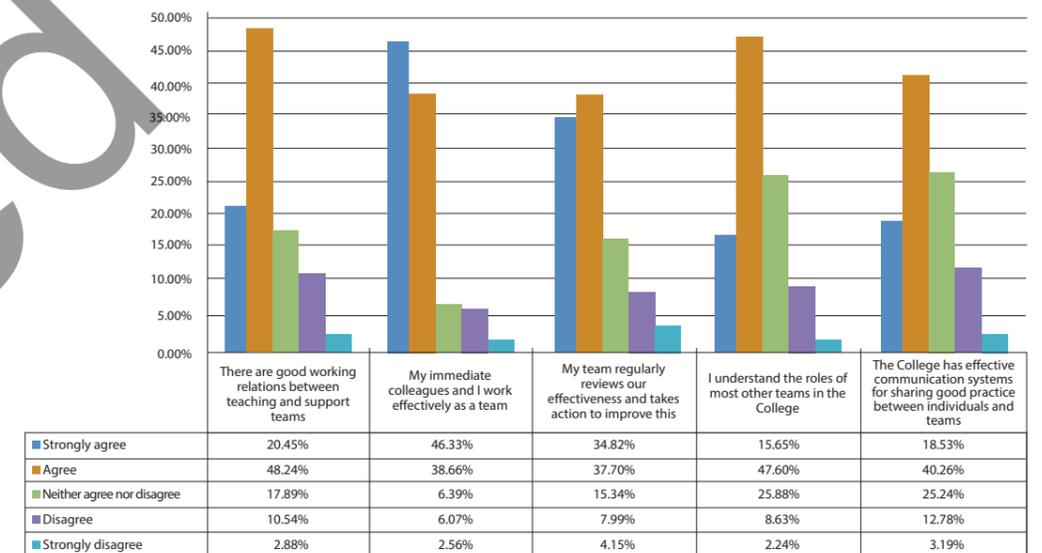
EFFECTIVENESS OF TEAMS AND WORKING RELATIONSHIPS

We asked you questions about....

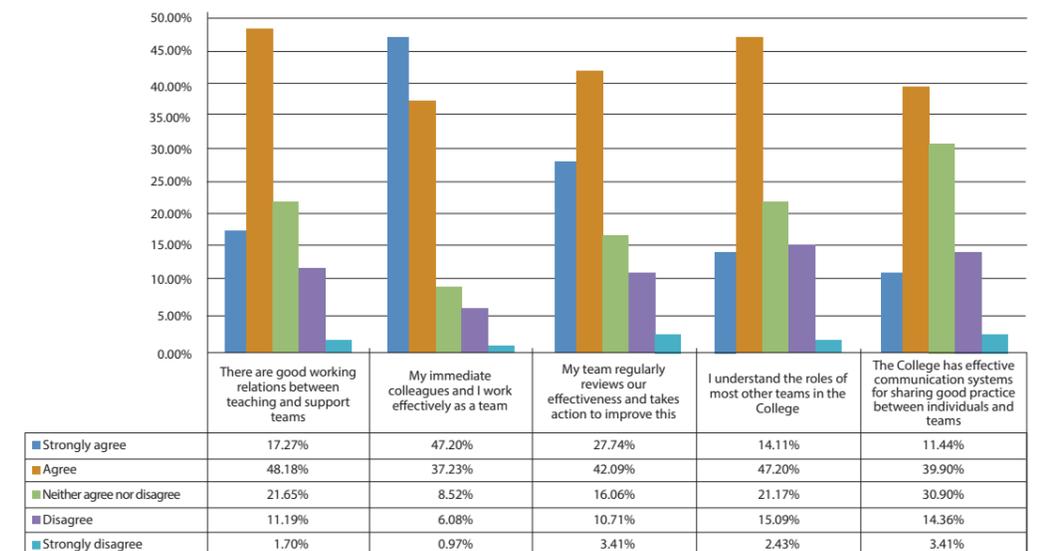
EFFECTIVENESS OF TEAMS AND WORKING RELATIONS INCLUDING:

- Inter team relations and appreciation of function
- Internal team relations
- Communication, feedback and review

2016



2019



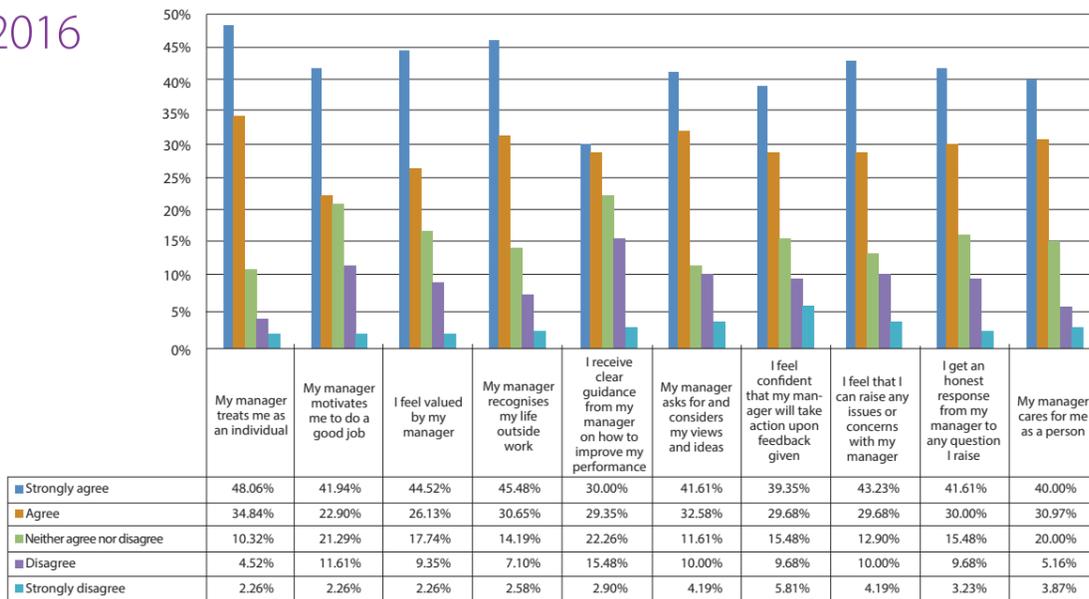
MY MANAGER

We asked you questions about...

YOUR RELATIONSHIP WITH YOUR LINE MANAGER, PARTICULARLY:

- Recognition and feeling valued and cared for
- Motivation and support
- Feedback and approachability

2016



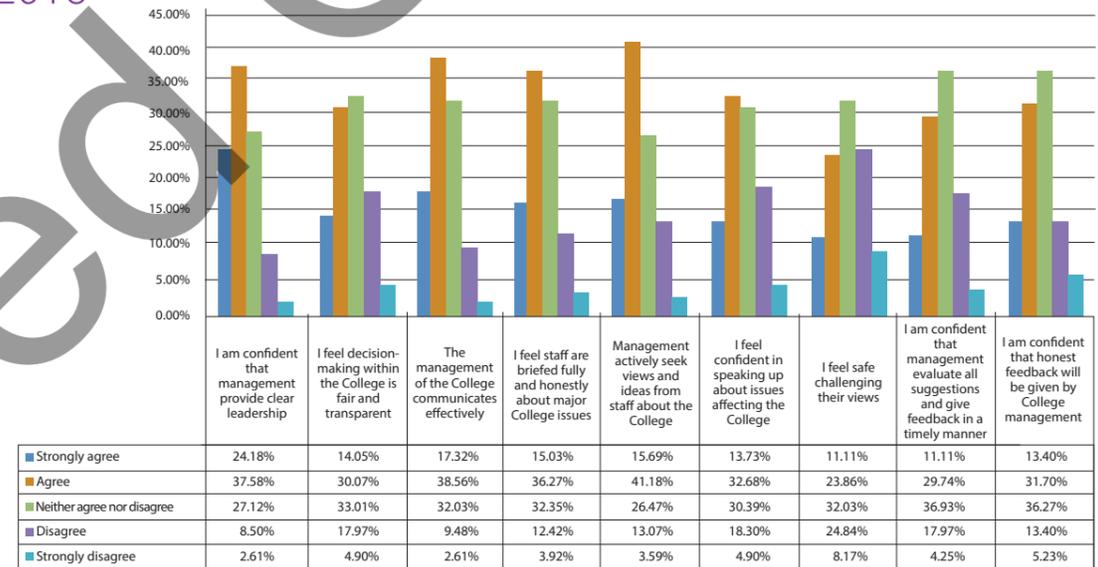
ORGANISATIONAL LEADERSHIP

We asked you questions about...

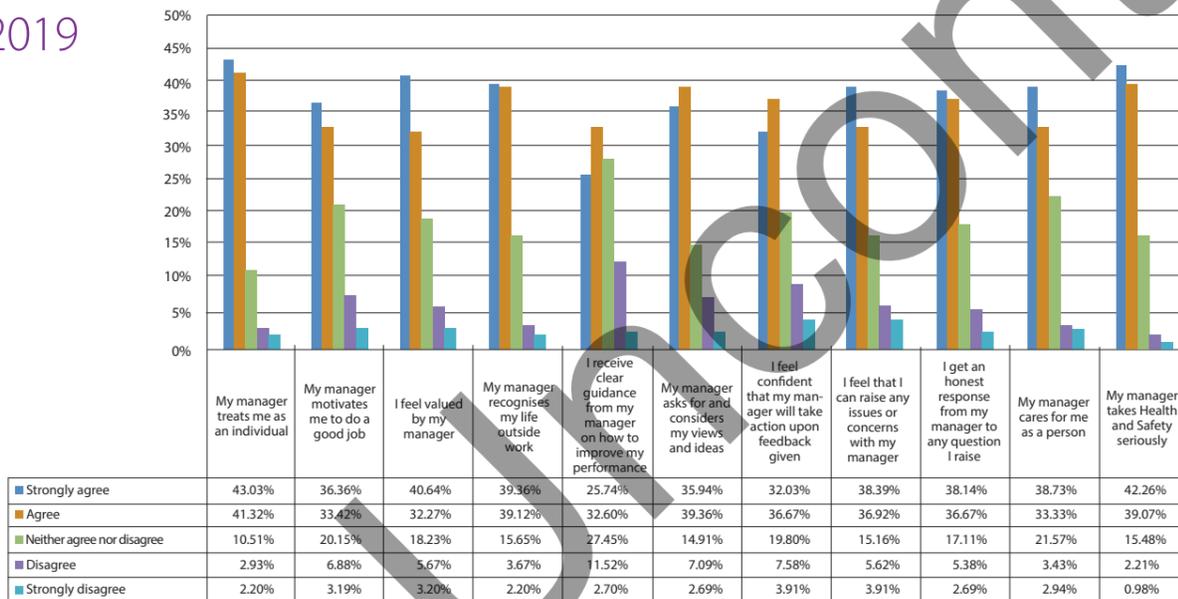
THE MANAGEMENT OF THE COLLEGE IN RELATION TO:

- Leadership and decision making
- Communication and feedback
- Trust and confidence

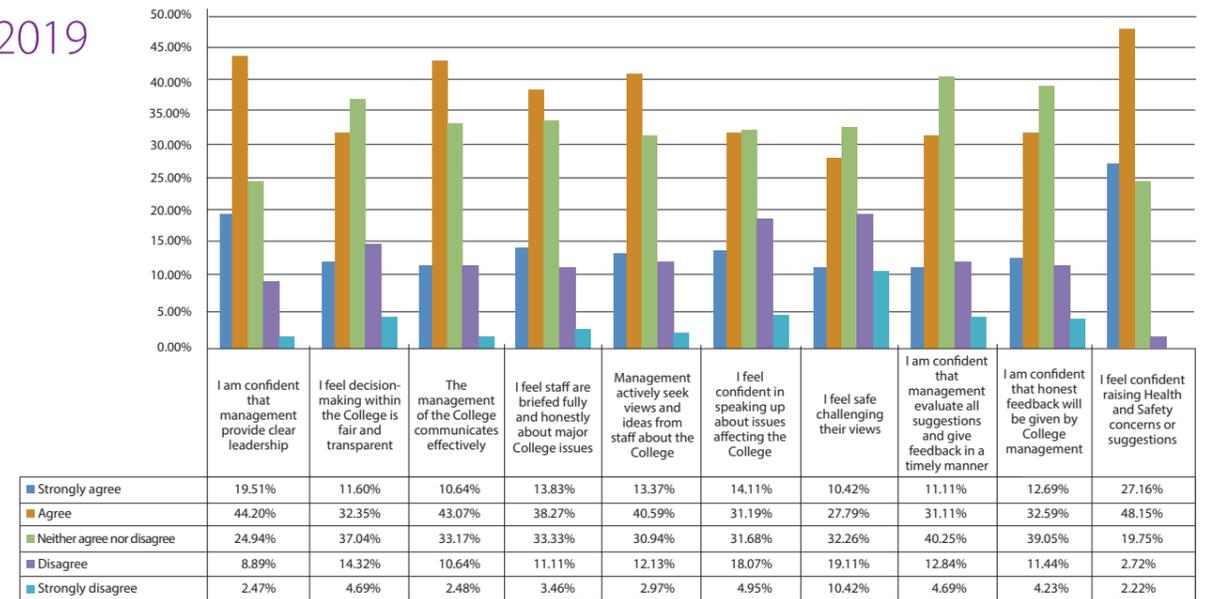
2016



2019



2019



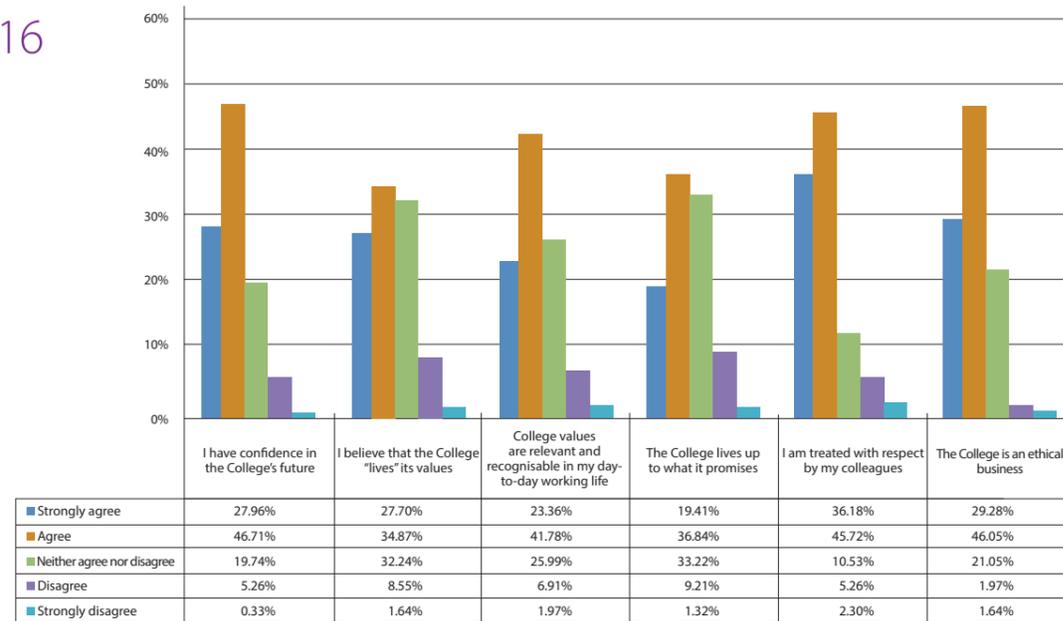
COLLEGE CULTURE & VALUES

We asked you questions about....

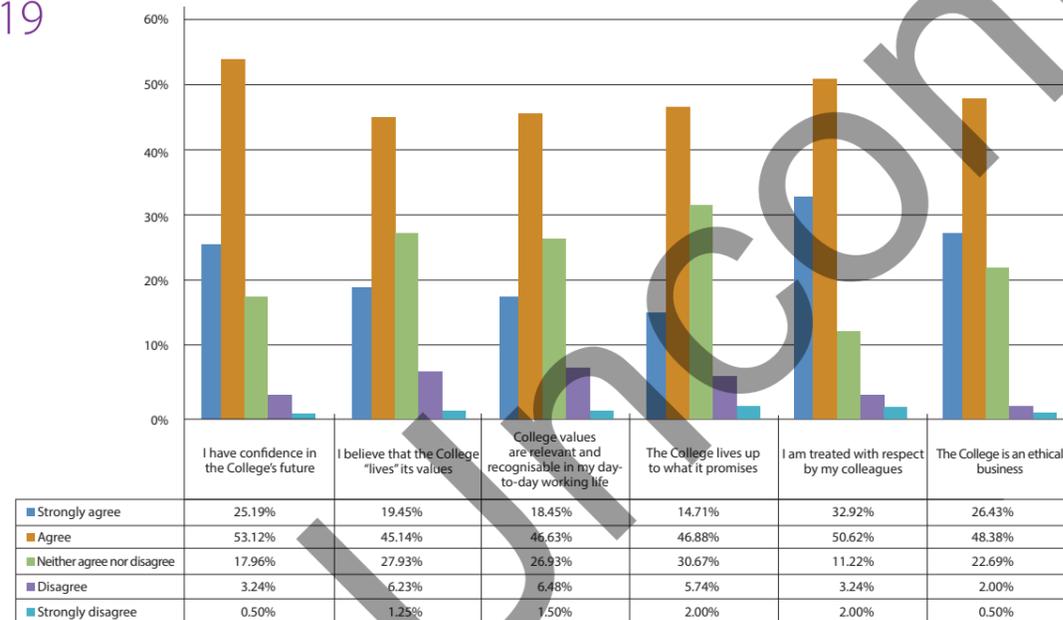
THE CULTURE OF THE COLLEGE IN RELATION TO:

- The future of the College
- College values
- Respect

2016



2019



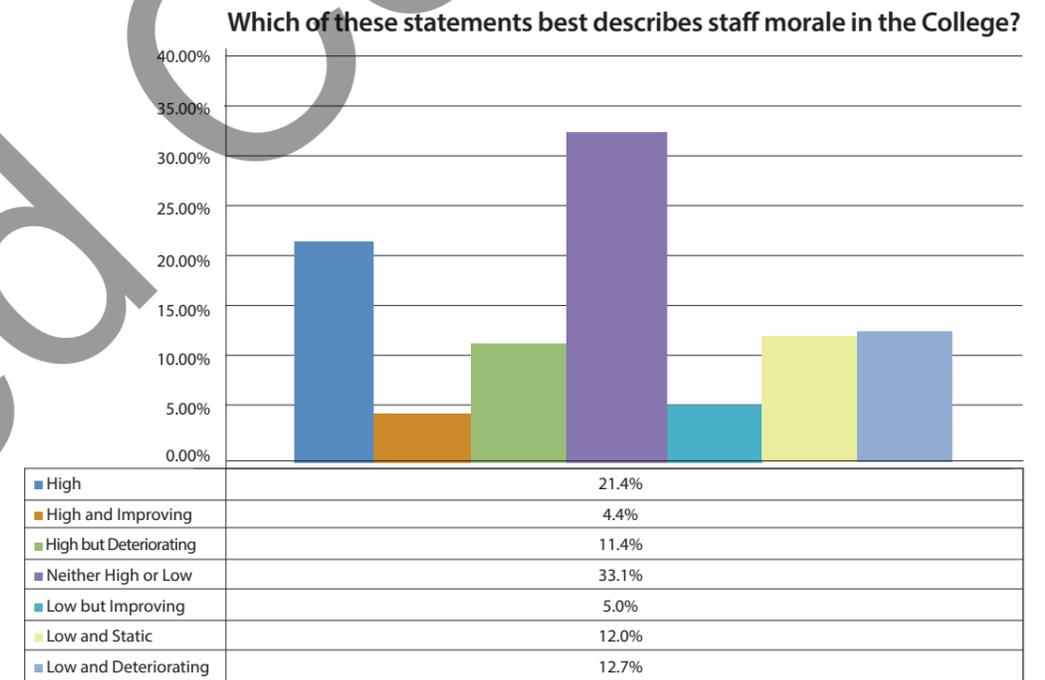
STAFF MORALE

We asked you questions about....

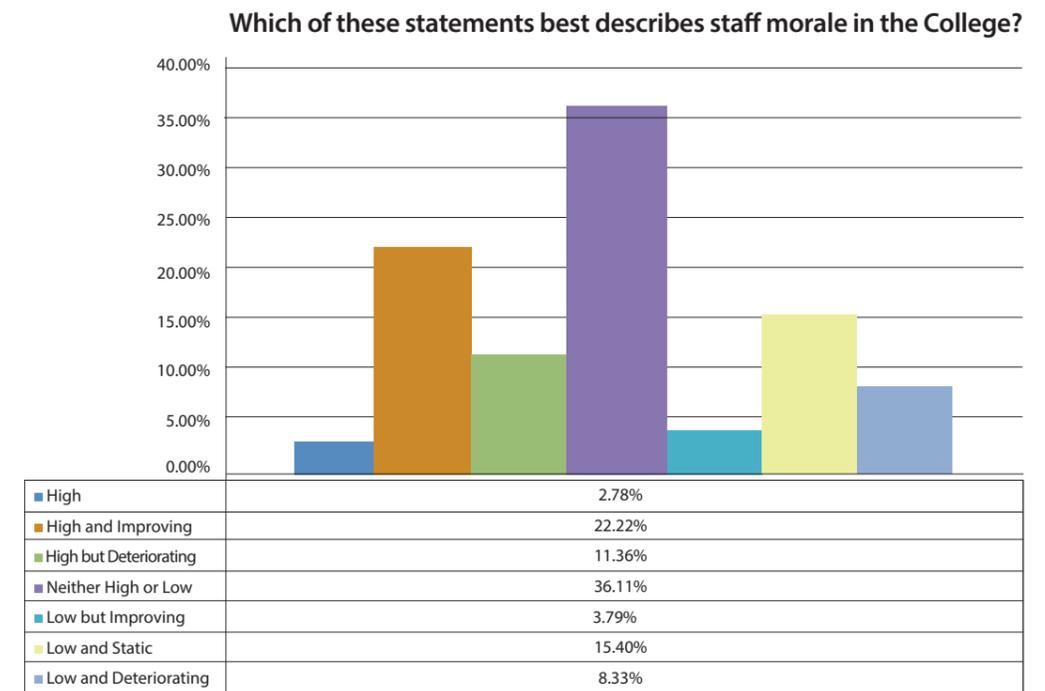
THE CULTURE OF THE COLLEGE IN RELATION TO:

- Staff morale in the College

2016



2019



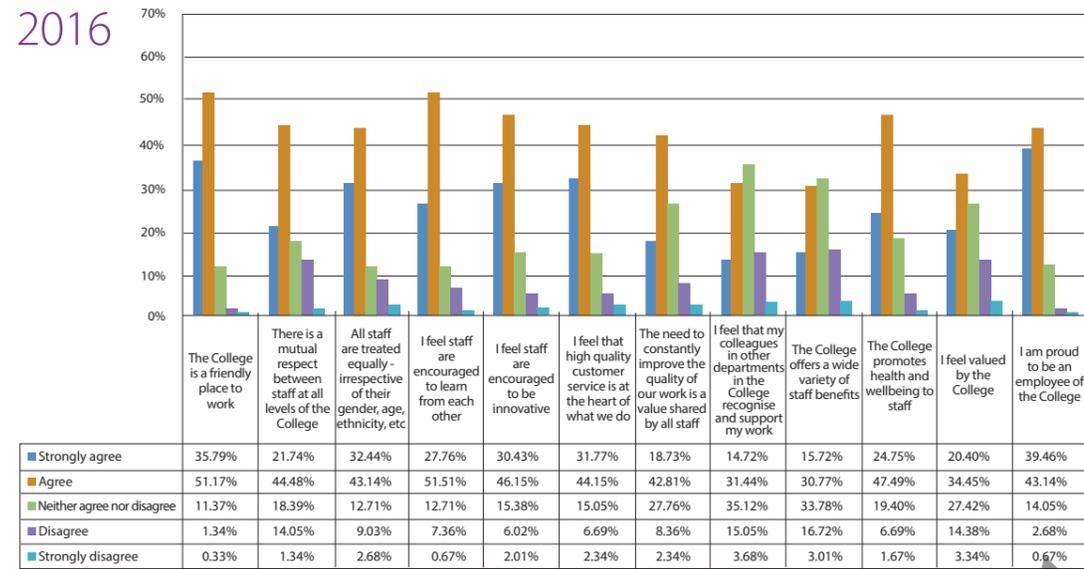
COLLEGE ENVIRONMENT

We asked you questions about....

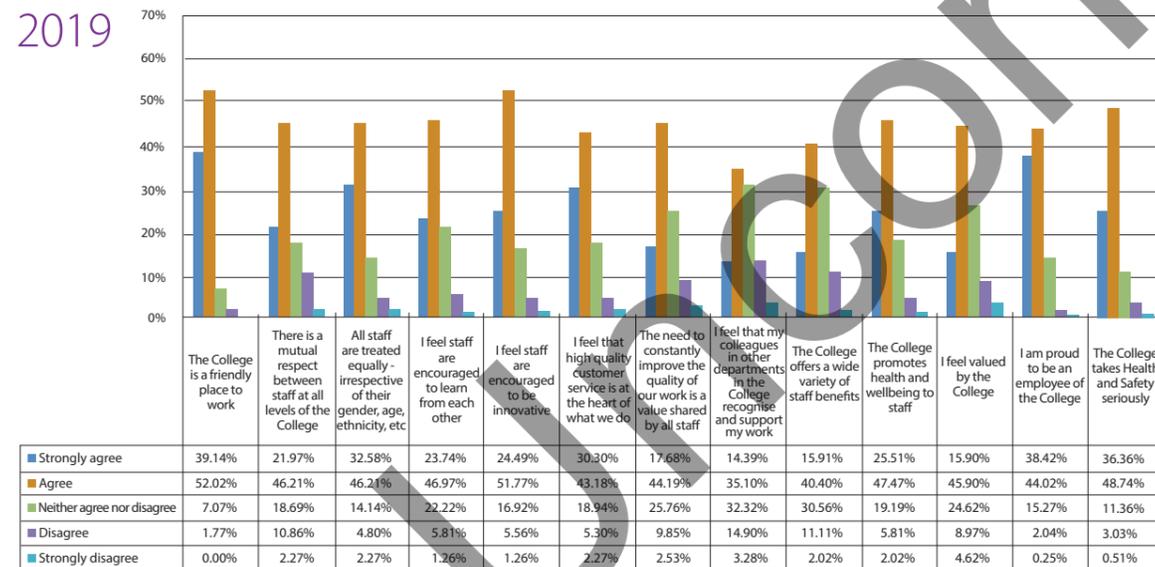
THE MANAGEMENT OF THE COLLEGE IN RELATION TO:

- Pride and perception of Forth Valley College
- Equality and respect
- Encouragement to learn from each other and be innovative
- Recognition and shared approach to work
- Staff benefits

2016



2019



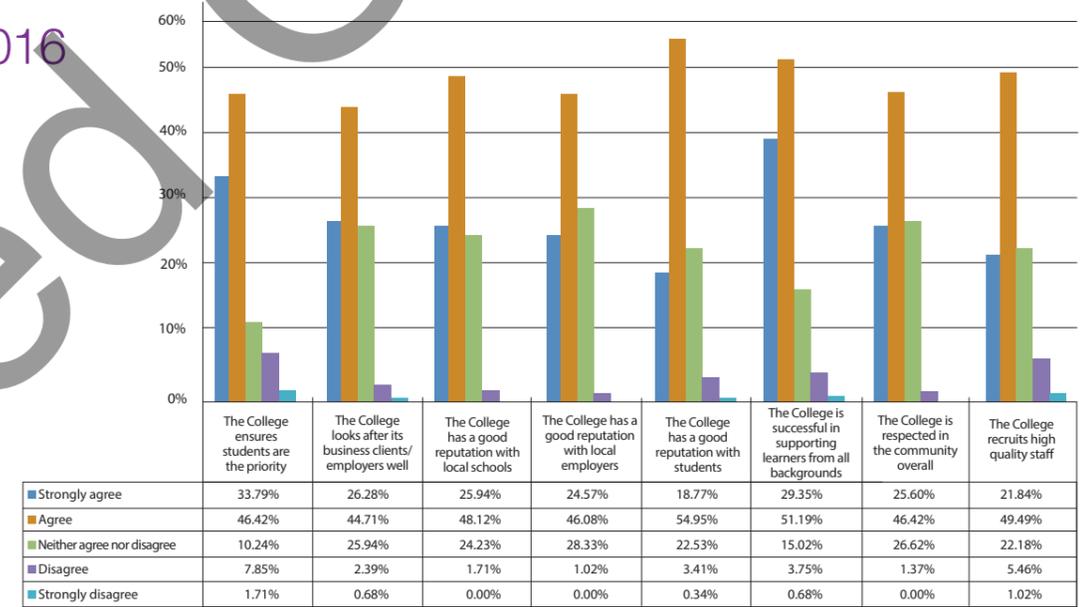
COLLEGE IMPACT & ACHIEVEMENTS

We asked you questions about....

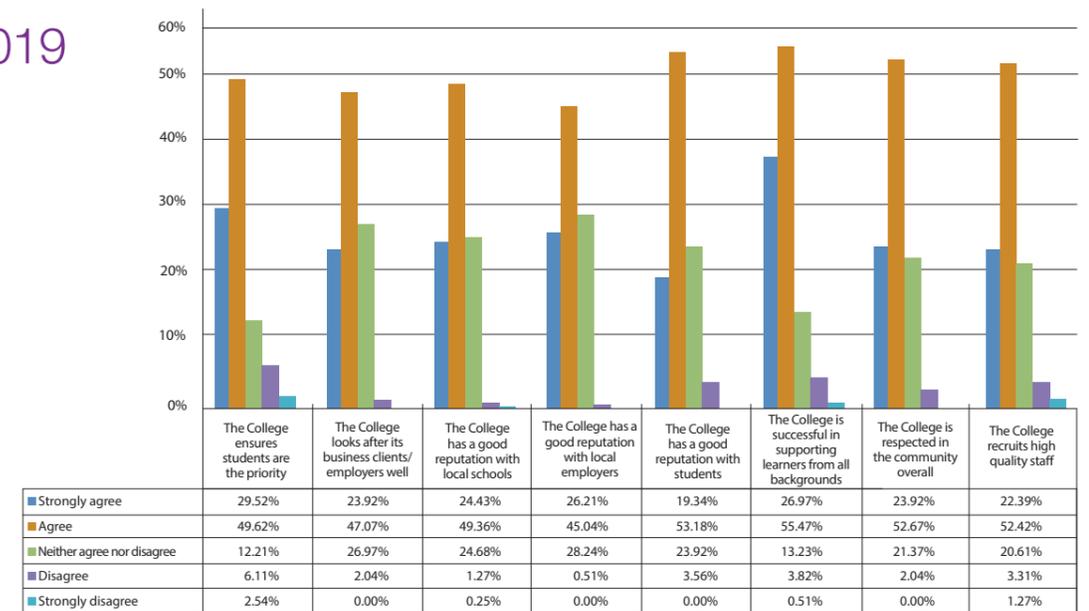
YOUR OPINIONS IN RELATION TO:

- How the College treats its customers and its success in supporting learners
- The College's external reputation
- The recruitment of high quality staff to the College

2016



2019



Uncontrolled Copy



1. Purpose

To seek approval for the award of Honorary Fellowships of Forth Valley College by the College Board of Management.

2. Recommendation

That members recommend the approval of the award of an Honorary Fellowship to Bob Gil and Stephen Dougan, retiring Head teacher at Bo-Ness Academy.

3. Background

Forth Valley College Board of Management introduced a process for recognising outstanding contributions of individuals to College life and development through the award of an Honorary Fellowship. The Fellowships are recognised and celebrated at the Stirling Castle college graduation.

4. Proposal

There are two candidates being put forward for consideration this year:

1. Bob Gil

Bob was a Board member of Forth Valley College from 2006 through to 2014 and was lead Board member in supporting the new builds of Stirling and Alloa campuses. His unique experience with Stirling Council school PFI's and the new Raploch Campus, a unique build bringing together two Primary Schools, a community centre and the Salon Service Department of Forth Valley College, were well placed to advise the Project Board. After Bob retired from the Board he came back as an advisor and co-opted member to help secure the full business case for the new Falkirk Campus. His contribution over the last ten years or so has allowed the college to boast three state of the art facilities.

2. Steve Dougan

Steve was a seconded senior manager from Falkirk Council Schools when in 2013, working with Fiona Brown, he helped mastermind the very successful SCOTS programme (School College Opportunity to Succeed) where school pupils from S4, identified as potential Christmas leavers, were enrolled on a unique programme with Forth Valley College and once a week over their fourth year, would attend college and experience three weeks from every department over one academic year. Back at the school, the young people would go through an Employability award with classroom teachers. This project became sector leading and won many awards and expanded to Stirling and Alloa schools. Over the five years since inception, SCOTS can boast over 1000 young people going through the programme with over 90% success rate including a high percentage coming back to college on full time programmes after they left school. Steve then became head teacher at Bo-Ness Academy and continued to champion the school college partnerships whether through DYW projects or continuing to send his own student to the SCOTS programme. Steve has also championed the college relationship with Forth Valley schools on the numerous national

committees he has attended culminating this May with the Children's University graduation at our Stirling Campus. Steve retires this summer.

5. Financial Implications

There are no financial implications relating to the award of an Honorary Fellowship.

6. Equalities

Assessment in Place? – Yes No

Not applicable.

7. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		
Medium		
Low		
Very Low	X	X

Bob Gil is well known to Board members as an advocate to the College and Steve Dougan is well respected amongst the College's SMT, both will continue to be firm supporters in the future.

Risk Owner – Ken Thomson

Action Owner – Alison Stewart

8. Other Implications –

Communications – Yes No

Health and Safety – Yes No

Paper Author – Ken Thomson

SMT Owner – Alison Stewart

1. Purpose

To inform members of the key messages and recommendations included in Audit Scotland's Report on its review of Scotland's colleges.

2. Recommendation

That members note the key messages and recommendations and discuss their impact on the College.

3. Background

The Auditor General is independent and is required to report annually to the Scottish Parliament on the performance of public bodies in Scotland, which includes Colleges. Their report looks at the financial health and performance of the overall sector and is based on financial and performance information for the previous academic year, in this case 2018/19.

4. Key messages

There are five key messages highlighted within the report;

- I. Colleges are working in an increasingly tight financial environment, with a number of colleges forecasting recurring financial deficits by 2022/23
- II. Colleges face increasing cost pressures, with additional funding only being available to cover the cost of harmonisation of pay and conditions. Colleges have to fund cost of living increases, increased pension costs etc. from within existing resources.
- III. Student numbers increased. Over the last 3 years there has been a shift in delivery with a reduction in students aged 16-24 year old and an increase in those 25 over. Colleges are widening access to disabled, ethnic minority and care experienced students.
- IV. Student attainment, retention and those going on to positive destinations varies considerably across the sector, but overall rates have remained static in recent years and below SFC's target.
- V. SFC should work with individual colleges & their boards to improve financial planning. They should also be more transparent on how its reports colleges' performance against outcome agreements.

There is one additional key message included within the financial health section

- Scottish Government capital funding falls short of what is needed to meet estimated costs of maintaining college assets.

5. Recommendations

Audit Scotland make a number of recommendations for Colleges, College Boards, SFC and Scottish Government.

Colleges should:

- agree their underlying financial position with the SFC prior to finalising their accounts (paragraph 5)
- improve data collection and response rates for student satisfaction and publish results (paragraphs 52–53)
- use How good is our college? effectively to drive improved performance and enhance the quality of service provision (paragraphs 55–57).

College boards and regional bodies should:

- agree medium-term financial plans that set out the mitigating actions to ensure their college’s financial sustainability (paragraphs 17–19)
- submit agreed medium-term financial plans to the SFC along with financial forecast returns (FFRs) (paragraphs 17–19).

The SFC should:

- work with colleges to agree their underlying financial position prior to finalising their accounts (paragraph 5)
- require colleges to submit medium-term financial plans to support FFRs in assessing financial sustainability across the sector (paragraphs 17–19)
- publish college region performance against all outcome agreement measures (paragraph 44)
- publish good-quality student satisfaction data for every college (paragraph 52).

The SFC and Scottish Government should:

- agree and publish a medium-term capital investment strategy that sets out sector-wide priorities (paragraph 24)
- review whether targets for college provision and student outcomes, including for students from deprived areas, remain relevant and realistic, based on current performance trends (paragraph 31) (paragraphs 41–42)
- work with colleges to deliver the necessary improvements in performance to meet agreed outcome agreement targets (paragraph 45).

6. Forth Valley College response to recommendations

Colleges

- This is reported in the financial statements and reviewed by the auditors. FVC did discuss and agree this with this SFC last year and will continue to do so.
 - The college’s response rates for the SFC National Student Satisfaction Survey continue to present a challenge. The college has introduced a range of measures to attempt to improve response rates for this online survey, however these were not successful in 2018-2019. Further improvements will be developed in 2019-2020 and the support of DoCs and CM/OMs will be required to deliver these. The top level results are published on the college website in its Evaluative Report and Enhancement Plan (EREP).
 - The college uses the *How good is our college?* quality framework effectively to evaluate all aspects of its services and to plan actions for improvement. The college’s EREP was
-

very well-received by Education Scotland and SFC and the report and grades were endorsed with no requirement for modification.

College Board

- Following the Board Strategic session in August 2019, SMT and the leadership team will undertake a review to deliver 7.5% efficiencies over the next 3 years. The financial plan will be presented to the board for approval.
- The College will submit the 5 year FFR in line with SFC guidance. For 2019 the medium term financial plan will be work in progress at the time of submission however mitigating actions to reduce the forecast deficits will be incorporated into the FFR at a high level.

7. Financial Implications

There are no financial implications in terms of the report.

8. Equalities

Assessment in Place? – Yes No

An equalities assessment is not applicable given the subject matter of the paper.

9. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		x
Medium		
Low	x	
Very Low		

Failure to implement the recommendations within the report could impact on the medium term financial health and performance of the College.

Risk Owner – Alison Stewart

Action Owner - Alison Stewart

10. Other Implications –

Please indicate whether there are implications for the areas below.

Communications – Yes No

Health and Safety – Yes No

Paper Author – Alison Stewart

SMT Owner – Alison Stewart

Scotland's colleges 2019



AUDITOR GENERAL 

Prepared by Audit Scotland
June 2019



Auditor General for Scotland

The Auditor General's role is to:

- appoint auditors to Scotland's central government and NHS bodies
- examine how public bodies spend public money
- help them to manage their finances to the highest standards
- check whether they achieve value for money.

The Auditor General is independent and reports to the Scottish Parliament on the performance of:

- directorates of the Scottish Government
- government agencies, eg the Scottish Prison Service, Historic Environment Scotland
- NHS bodies
- further education colleges
- Scottish Water
- NDPBs and others, eg Scottish Police Authority, Scottish Fire and Rescue Service.

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www.audit-scotland.gov.uk/about-us/auditor-general 

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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Audit team

The core audit team consisted of: Mark MacPherson, Mark McCabe, Yoshiko Gibo, Angus Brown and Sanya Ahmed, with support from other colleagues and under the direction of Angela Canning.

Links

-  PDF download
-  Web link

Key messages



- 1** The college sector reported a small, but improved, underlying financial surplus in 2017-18. Colleges are operating within an increasingly tight financial environment and the sector-wide position masks particular financial challenges for some colleges. The gap between colleges' income and expenditure is widening and this is forecast to continue, with 12 incorporated colleges forecasting recurring financial deficits by 2022-23.
- 2** Colleges face increasing cost pressures. The increase in Scottish Government revenue funding for 2019/20 covers only the additional costs of harmonising pay and conditions across the sector (excluding cost of living increases and increases in employers' pension contributions). Current Scottish Government capital funding falls short of the estimated costs of maintaining the college estate. The proportion of non-government income that colleges generate has reduced over time, and cash balances and money held by arm's-length foundations fell.
- 3** Student numbers increased, and the sector exceeded its learning activity targets. Over the past three years, colleges have been providing less learning to students aged 16-24 and more to students aged 25 and over. Colleges are widening access to disabled, ethnic minority and care-experienced students. After several years of increasing learning delivered to students from deprived areas, the proportion of learning delivered to this group fell slightly in 2017-18.
- 4** There is considerable variation across colleges in terms of student attainment and retention and those going on to positive destinations. Average attainment rates for students in full-time education have remained relatively static in recent years. The attainment rate for full-time further education, at 66 per cent, is some distance from the Scottish Funding Council's (SFC) target of 75 per cent by 2020-21. Attainment gaps still exist for students from the most deprived areas, students with disabilities and for care-experienced students.
- 5** There is scope for the SFC to work with individual colleges and their boards to improve financial planning and to achieve greater transparency in the sector's financial position. The SFC can also be more transparent in how it reports colleges' performance against outcome agreements and student satisfaction data. The SFC has agreed aspirational and stretching targets with colleges in their latest outcome agreements. Based on recent performance trends, achieving some of these targets will be very challenging for colleges.

Recommendations

Colleges should:

- agree their underlying financial position with the SFC prior to finalising their accounts ([paragraph 5](#))
- improve data collection and response rates for student satisfaction and publish results ([paragraphs 52–53](#))
- use *How good is our college?* effectively to drive improved performance and enhance the quality of service provision ([paragraphs 55–57](#)).

College boards and regional bodies should:

- agree medium-term financial plans that set out the mitigating actions to ensure their college's financial sustainability ([paragraphs 17–19](#))
- submit agreed medium-term financial plans to the SFC along with financial forecast returns (FFRs) ([paragraphs 17–19](#)).

The SFC should:

- work with colleges to agree their underlying financial position prior to finalising their accounts ([paragraph 5](#))
- require colleges to submit medium-term financial plans to support FFRs in assessing financial sustainability across the sector ([paragraphs 17–19](#))
- publish college region performance against all outcome agreement measures ([paragraph 44](#))
- publish good-quality student satisfaction data for every college ([paragraph 52](#)).

The SFC and Scottish Government should:

- agree and publish a medium-term capital investment strategy that sets out sector-wide priorities ([paragraph 24](#))
 - review whether targets for college provision and student outcomes, including for students from deprived areas, remain relevant and realistic, based on current performance trends ([paragraph 31](#)) ([paragraphs 41–42](#))
 - work with colleges to deliver the necessary improvements in performance to meet agreed outcome agreement targets ([paragraph 45](#)).
-

Part 1

Financial health



Key messages

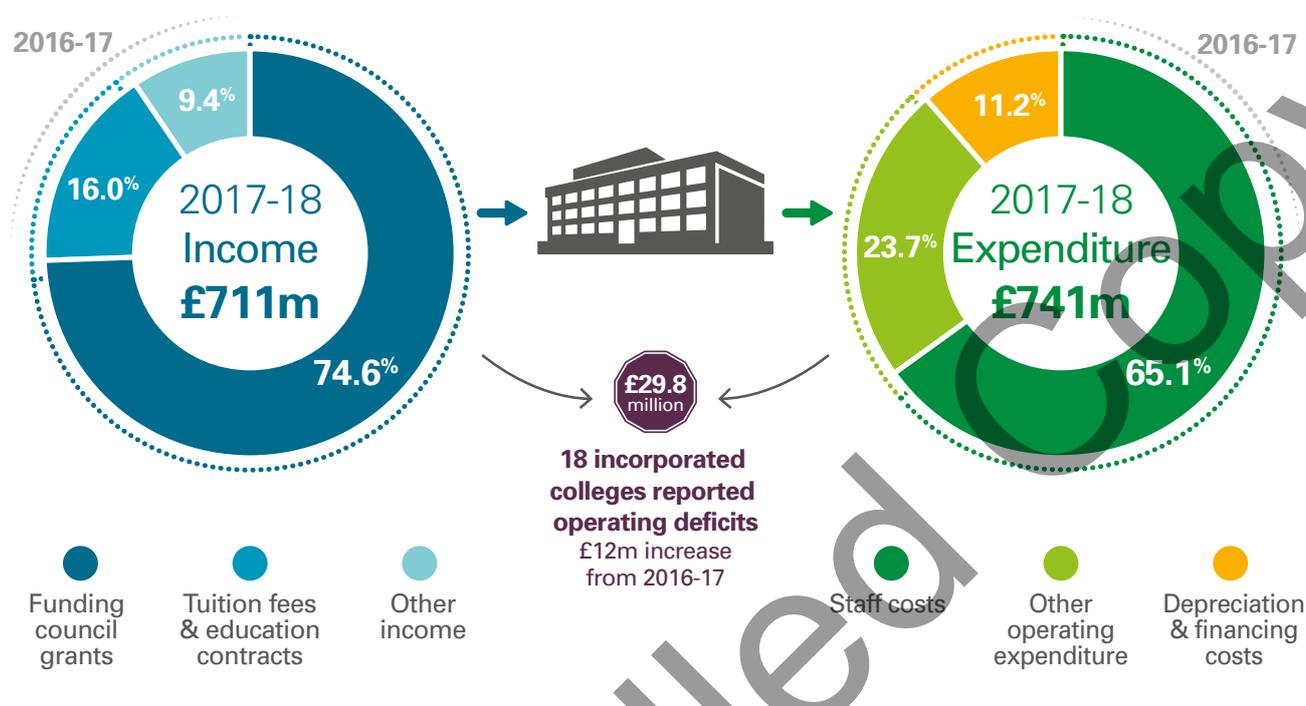
- 1** The college sector reported a small, but improved, underlying financial surplus in 2017-18. Colleges are operating within an increasingly tight financial environment and the sector-wide position masks particular financial challenges for some colleges.
- 2** The Scottish Government has been providing colleges with real-terms increases in revenue funding since 2016/17. The most recent increase for 2019/20 covers only the additional cost of harmonising staff terms and conditions. Colleges also need to fund cost of living pay increases and any unfunded element of increases in employers' pension contributions. The proportion of non-government income, such as education contracts and other commercial income, has reduced. Colleges' ability to access other sources of funding, such as cash and arm's-length foundation (ALF) balances, is also reducing.
- 3** The gap between colleges' income and expenditure is widening. Twelve incorporated colleges were forecasting recurring financial deficits by 2022-23. At the time of their annual audits, ten of these were still to determine the specific actions needed to achieve financial sustainability.
- 4** Scottish Government capital funding falls short of what is needed to meet the estimated costs of maintaining the college estate. The Scottish Government is working with the Scottish Futures Trust and SFC to identify an appropriate revenue funding model for future investment in the college estate.

The underlying financial position for the college sector improved slightly in 2017-18, but the gap between income and expenditure is widening

- 1.** Income remained unchanged across the sector in 2017-18 at £711 million. This represents a 1.9 per cent reduction in real terms from 2016-17. Scottish Government funding (provided through grants from the Scottish Funding Council) increased by 1.0 per cent in real terms. The proportion of income from other sources, such as education contracts and other commercial income, fell, meaning that colleges are increasingly dependent on Scottish Government funding ([Exhibit 1, page 7](#)).

Exhibit 1

Colleges have achieved an underlying surplus but the gap between income and expenditure is widening

**Underlying financial surplus**

Source: College accounts/SFC

2. Colleges' expenditure increased by £11.8 million (0.3 per cent in real terms) to £741 million in 2017-18, widening the gap between income and expenditure. As a result, the sector's operating deficit increased to £29.8 million. Eighteen of the 20 incorporated colleges reported operating deficits.

3. Adjusting the operating position for technical accounting factors that are beyond a college's immediate control, such as pensions and net depreciation, helps to provide a clearer picture of a college's short-term financial health. After such adjustments, incorporated colleges reported an underlying surplus of £3.1 million. While the underlying surplus is £2.8 million higher than in 2016-17, it represents a very small percentage of sector expenditure (0.4 per cent).

4. The overall underlying surplus for the six non-incorporated colleges is £0.1 million, equivalent to 0.4 per cent of their expenditure of £25.6 million and less than half the surplus in 2016-17 (£0.25 million).

5. In calculating and reporting their underlying operating positions, colleges continue to interpret the SFC's accounts direction inconsistently. While the differences between colleges' and the SFC's calculations are small overall (around £1.4 million), differences in individual college figures can be significant.

6. As public bodies, colleges are expected to operate with balanced budgets, but they are operating within an increasingly tight financial environment. The underlying positions of individual colleges are shown on [\(Exhibit 6, page 12\)](#), together with other indicators of financial health.

The latest increase in Scottish Government revenue funding is only enough to cover the costs of harmonising staff terms and conditions

7. Scottish Government revenue funding to the sector reduced in the period leading up to college reorganisation. Revenue funding for the sector has increased year-on-year since 2016/17 in real terms, mainly due to the Scottish Government funding the costs of harmonising staff terms and conditions. All of the increase in funding in 2019/20 is to fund these costs [\(Exhibit 2, page 9\)](#).

8. The SFC and Colleges Scotland have calculated the additional cost from harmonising staff terms and conditions at £50 million per annum from 2019-20. This includes £12 million allocated over the next two years to fund the harmonisation of terms and conditions for support staff. Colleges and the Educational Institute of Scotland (EIS) are in dispute over the cost of living pay claim for lecturers, over and above the harmonisation of pay, terms and conditions. This has resulted in several periods of industrial action and they have yet to reach agreement. The additional costs of the settlement will have further implications for colleges' costs and financial sustainability.

9. There is no additional Scottish Government revenue funding to cover other cost increases over this period, such as cost of living increases and increases in employer pension contributions. Scottish ministers have committed to pass on any specific UK funding made available to help meet planned increased employer pension contributions to the Scottish Teachers Superannuation Scheme. There still may be a significant element that remains unfunded for colleges [\(Exhibit 3, page 9\)](#).

Staffing changes will affect SFC funding for harmonising terms and conditions

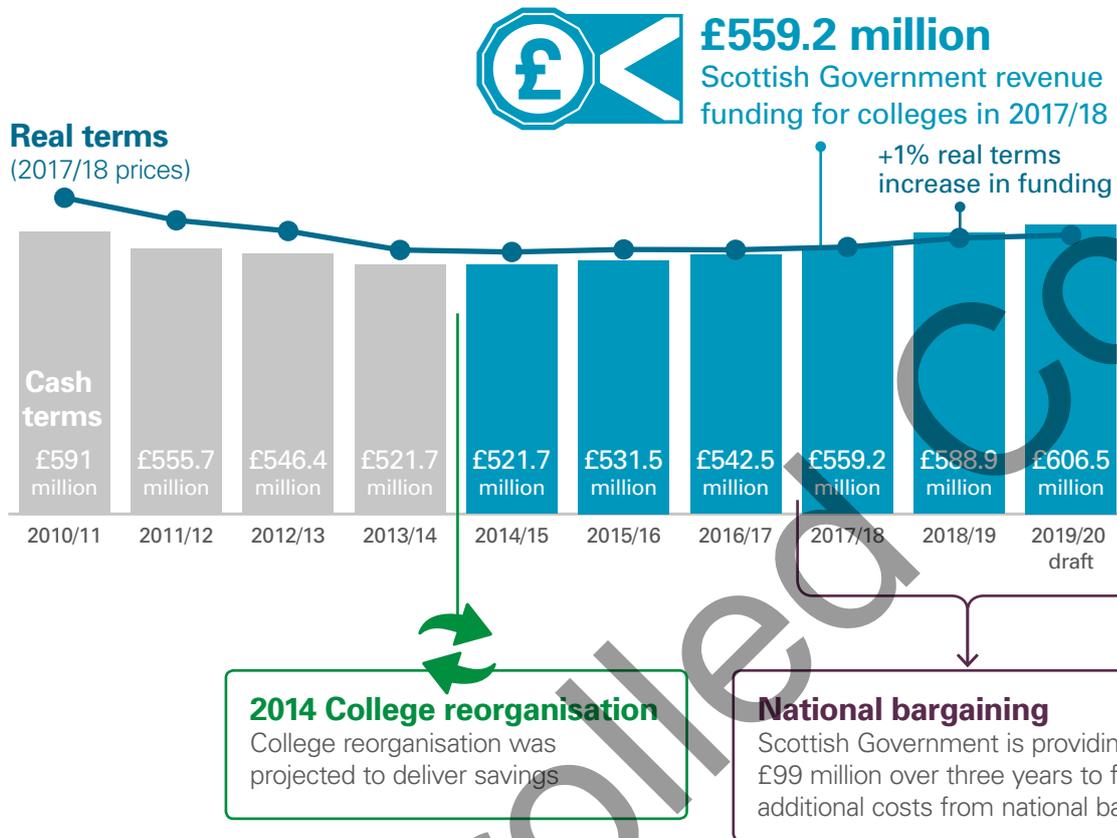
10. Total staffing numbers across the sector in 2017-18 remained unchanged, but the staffing profile across the sector has changed.¹ The number of non-teaching staff fell, while the number of teaching staff increased by the same proportion. The proportion of full-time permanent teaching staff with a recognised teaching qualification fell by one percentage point to 87.9 per cent.

11. Small changes at sector level mask noticeable changes within some colleges:

- Twelve incorporated colleges increased their teaching staff numbers. Of these, seven reduced their non-teaching staff.
- Seven incorporated colleges reduced teaching staff. Of these, three increased their non-teaching staff.
- Three incorporated colleges increased both teaching and non-teaching staff numbers, while four reduced both teaching and non-teaching staff.

Exhibit 2

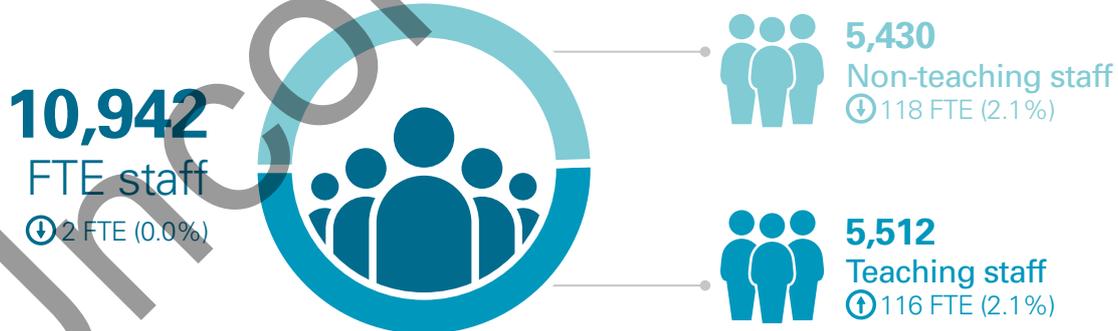
Scottish Government revenue funding for colleges



Source: Scottish Government

Exhibit 3

Colleges staffing 2017-18



Note: Staffing numbers fluctuate depending on the point in the year they are recorded.

Source: College staffing returns to the SFC

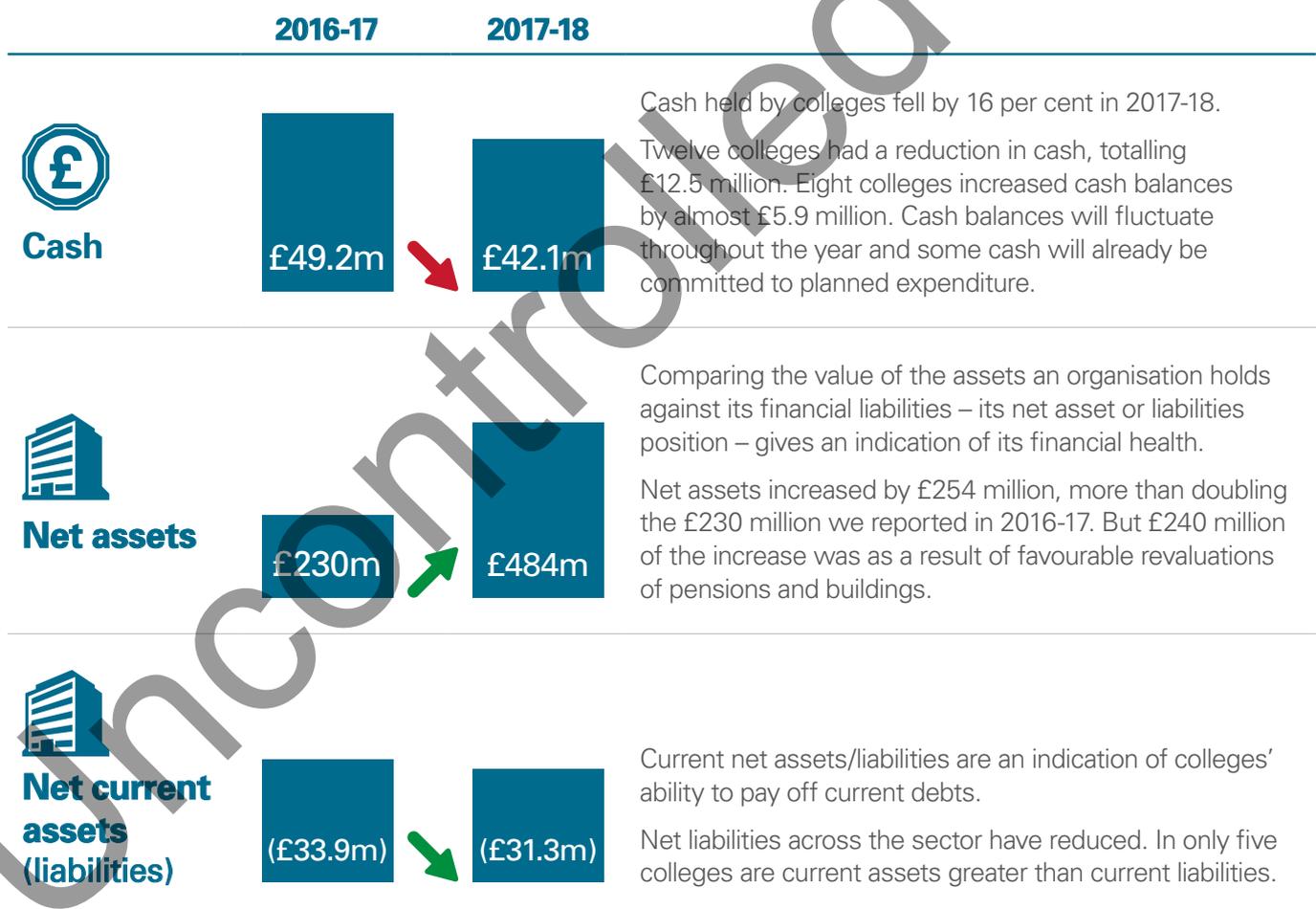
12. Current funding allocations for harmonisation of terms and conditions are based on the number of staff in April 2018. The SFC will consider changes in staff numbers when determining future funding allocations.

Some sector-level financial health indicators improved in 2017-18 but the ability to draw on cash balances and ALF income has reduced for most colleges

13. Performance across the sector varied against financial health indicators. The sector's access to cash reduced. Its current net asset/liabilities position improved (ie, the sector's ability to pay its debts), with a reduction in net liabilities. Net assets more than doubled in 2017-18, mainly due to factors outside colleges' direct control. ([Exhibit 4](#)).

Exhibit 4

College sector financial health indicators



Source: Incorporated college 2017-18 accounts

Arm's-length foundations continue to be a reducing source of funds for colleges

14. Fifteen colleges received funding from arm's-length foundations (ALFs) in 2017-18. Around 80 per cent (£8.4 million) of the total sector income from ALFs was provided to Ayrshire, City of Glasgow, Glasgow Clyde and Glasgow Kelvin colleges. ALFs are independent, charitable bodies that were set up when colleges were reclassified as public bodies and could no longer retain significant cash reserves. Colleges can donate money into ALFs and can apply to ALFs for funding. Colleges have typically used income from ALFs to fund voluntary severance, capital works and investment in equipment and digital infrastructure.

15. Balances held by ALFs are reducing, with colleges planning to apply to use a further £6.25 million of ALF funding in 2018-19. ALF balances vary significantly, with some colleges having little or no scope to access any ALF income. For the remainder of colleges, the ability to apply for income from ALFs is becoming increasingly limited as balances reduce ([Exhibit 5](#)).

Exhibit 5

The balances of arm's-length foundations (ALFs) are reducing



Source: College accounts and ALF accounts or SFC – ALF balances not in college accounts

There is significant variation in the financial positions of individual colleges

16. There is significant variation in the financial indicators at individual college level. Taken on their own, each indicator is not a reliable measure of financial health. But, taken together, the indicators provide a broad indication of the extent to which each college is exposed to financial risk ([Exhibit 6, page 12](#)).

Exhibit 6

Financial indicators

Colleges	Underlying surplus/deficit	Operating surplus/deficit	Cash	Net assets	Net current assets/liabilities
Ayrshire College	-1.9%	-4.9%	3.3%	78.5%	-8.1%
Borders College	1.6%	-0.6%	19.9%	0.5%	10.5%
City of Glasgow College	0.7%	-2.5%	7.6%	29.7%	-4.8%
Dumfries and Galloway College	-0.5%	-8.1%	5.5%	82.7%	-6.7%
Dundee and Angus College	0.3%	-4.6%	2.7%	77.7%	-6.3%
Edinburgh College	0.6%	-3.4%	1.4%	111.5%	-8.7%
Fife College	0.2%	-6.6%	4.2%	61.3%	-3.1%
Forth Valley College	1.9%	-2.3%	15.6%	-14.0%	1.6%
Glasgow Clyde College	0.3%	-1.0%	5.3%	138.8%	-5.0%
Glasgow Kelvin College	1.5%	1.0%	4.6%	41.9%	-10.3%
Inverness College	1.4%	-5.2%	14.6%	-10.2%	-5.0%
Lewis Castle College	1.9%	-5.1%	2.7%	48.0%	-4.9%
Moray College	1.2%	-3.5%	5.9%	90.6%	-5.9%
New College Lanarkshire	0.9%	-4.3%	1.8%	53.9%	-8.7%
North East Scotland College	-2.2%	-8.1%	4.9%	85.0%	5.5%
North Highland College	0.4%	-6.0%	3.0%	22.1%	2.3%
Perth College	0.0%	-5.7%	8.6%	103.0%	-8.4%
South Lanarkshire College	4.0%	0.2%	3.9%	56.0%	-5.5%
West College Scotland	0.0%	-4.7%	6.2%	101.9%	0.0%
West Lothian College	0.9%	-5.0%	3.9%	-16.6%	-4.4%
Scotland	0.4%	-4.0%	5.7%	65.2%	-4.2%

Quartile: Highest **1** **2** **3** **4** Lowest

Notes:

1. Financial indicators are shown as of the proportion of each college's expenditure
2. For each indicator, we have shown colleges' performance broken down into quartiles, with the highest performance shown in Quartile 1 and the lowest performance in Quartile 4.

Source: College accounts

Twelve incorporated colleges are forecasting recurring deficits during the next five years

17. The SFC requires colleges to submit five-year financial forecast returns every year, and provides colleges with common financial planning assumptions to use when preparing their forecasts. Although colleges did apply the SFC's common assumptions, the SFC identified that colleges had not been consistent in compiling their most recent financial forecasts.² Colleges had broadly adopted one of two approaches: making forecasts that incorporated actions to address potential deficits; or forecasting their future financial position based on how they currently operate. Twelve colleges are forecasting recurring deficits during the next five years. Of the six non-incorporated colleges, only Orkney College is not projecting a recurring deficit during the next five years.

Only two of the 12 incorporated colleges forecasting recurring deficits had identified specific actions to address their financial challenges

18. At the time of their annual audit, only two of the 12 colleges forecasting a recurring deficit had identified the specific actions needed to address their financial challenges. A further five colleges were in the process of developing specific actions. Of the ten colleges still to determine agreed actions to address recurring deficits, six are forecasting a deficit position by the end of the next academic year: Inverness, North Highland and West Lothian colleges are forecasting deficits from 2018-19; and Forth Valley, Glasgow Clyde and Glasgow Kelvin colleges are forecasting deficits from 2019-20 ([Exhibit 7](#)).

Exhibit 7

Status of colleges' responses to forecasted recurring deficits

 **12** colleges forecasting a recurring deficit

At the time of their 2017-18 annual audits:



Source: SFC/colleges' external auditors

19. The SFC asked colleges that are projecting deficits to identify the actions needed to achieve financial sustainability. Additional financial pressures have emerged since colleges prepared their financial forecasts, including reduced capital funding and additional employer pension contributions. Unless funding increases, or colleges change how they operate, these are likely to result in future forecasts showing a worsening financial picture.

Three colleges face particular challenges to their financial sustainability

20. Auditors have highlighted that increasing operating deficits present challenges to financial sustainability in many colleges. Three colleges face particular challenges.

Ayrshire College



Ayrshire College reported an underlying deficit of £1 million in 2017-18 and was forecasting increasing deficits over the next five years, with a cumulative deficit of around £12 million (equivalent to 23 per cent of its current expenditure) by 2022-23. The college faces a number of cost pressures. It has identified annual PFI payments of £1.4 million until 2024-25 as its highest risk.



In February 2019, the SFC agreed the college's two-year financial sustainability plan. The SFC will provide the college with an additional £1.3 million in 2018-19 to fund a voluntary severance scheme and additional revenue funding support of £0.7 million in both 2019-20 and 2020-21.



The college anticipates its severance scheme will contribute to financial sustainability by generating savings of £1.66 million a year, reducing its projected cumulative deficit by 2022-23 to £5 million. Like other colleges, Ayrshire will need to continue to manage its costs, and to develop the necessary actions to balance its operating position from 2021-22 onwards.

New College Lanarkshire



Last year, the Auditor General for Scotland prepared a statutory report on the college, which highlighted the financial challenges facing the college and the potential impact on its longer-term financial sustainability. The college reported an underlying surplus of £0.6 million for 2017-18.



During the year, the SFC provided the college with £1.1 million for voluntary severance and a short-term cash advance of £1.3 million to address cash-flow difficulties.



The Lanarkshire Regional Board has agreed a five-year regional business plan with the SFC. This forecasts an underlying surplus for the college by 2019/20. The college anticipates receiving a further repayable advance of £2.6 million from the SFC in 2018-19, subject to maintaining progress and achieving the milestones in its plan.



To achieve financial sustainability, the college is reducing staffing costs. The SFC will provide £645,000 for the next voluntary severance scheme proposed in the plan. The college also intends to increase non-SFC income and to pursue opportunities for shared services with South Lanarkshire College.

North Highland College



The college reported a small underlying surplus of £0.1 million in 2017-18 but faces several key risks to its financial sustainability.



The college has previously required cash advances from its regional body, the University of the Highlands and Islands (UHI). It is forecasting a cumulative underlying deficit of £2.5 million by 2022-23 (equivalent to around 16 per cent of current costs) and a negative cash-flow position from 2019-20 onwards.



The college has loans of £1.3 million and in 2017-18 relied on waivers from its bank to avoid breaching loan covenants. At the time of the annual audit, the college did not have an agreed financial plan in place to achieve the required savings in both the short and longer term.



The auditor highlighted the need for more detailed interaction between the college and UHI as savings plans are developed. The college has since begun a curriculum review, with a view to achieving savings for the 2019-20 budget. However, the college anticipates that it may require financial support from UHI, in the form of cash advances, for 2019-20.

21. Staff costs are the largest area of college expenditure and those colleges that have produced financial plans to address their underlying financial deficits are planning or currently implementing voluntary severance schemes as part of their plans.

Scottish Government capital funding is insufficient to address colleges' maintenance requirements

22. Capital funding is needed for the maintenance and improvement of buildings and investing in digital infrastructure. The Scottish Government provided £76.7 million of capital funding for the sector in 2018/19. Of this, £43.1 million related to existing capital commitments, including Forth Valley College's new campus project, £27 million was allocated for very high-priority backlog maintenance identified in the SFC's estates survey in 2017.³ The SFC is monitoring whether funding for backlog maintenance has been spent as planned.

23. In 2019/20, capital funding for the sector has fallen to £47.6 million. Of this, £22.7 million is for Forth Valley College's new campus. After other specific capital commitments,⁴ the SFC is allocating £21 million to address lifecycle and backlog maintenance needs.⁵ Colleges and the SFC have calculated annual lifecycle maintenance costs to be around £22 million, over and above the £77 million high-priority backlog maintenance costs previously identified in the SFC's 2017 estates survey.

24. Reduced capital spending creates a risk that the cost of urgently needed backlog maintenance increases. This in turn poses a potential risk to some colleges' ability to continue to deliver their core services in a safe environment, and to invest in new digital infrastructure to generate efficiencies and enhance the student experience. The Scottish Government is working with the Scottish Futures Trust and the SFC to identify an appropriate revenue funding model for future investment in the college estate ([Exhibit 8, page 16](#)).

Exhibit 8
Capital funding

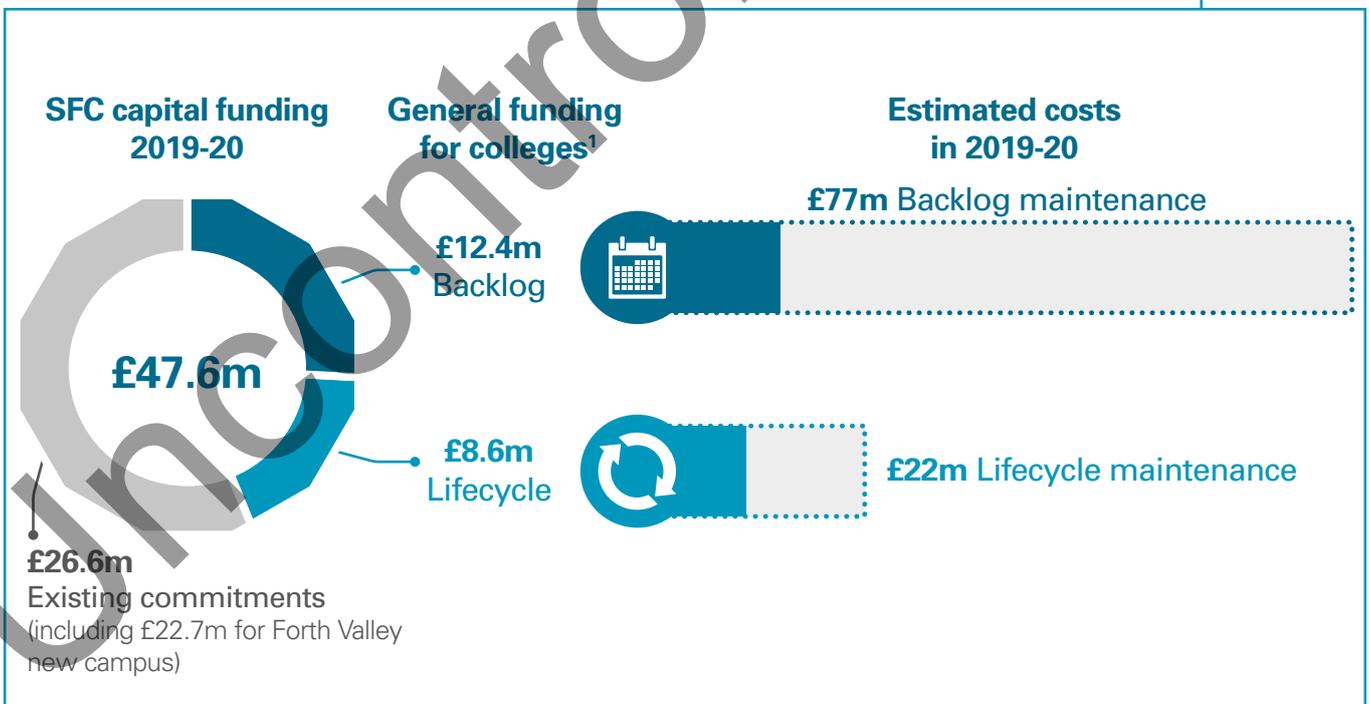
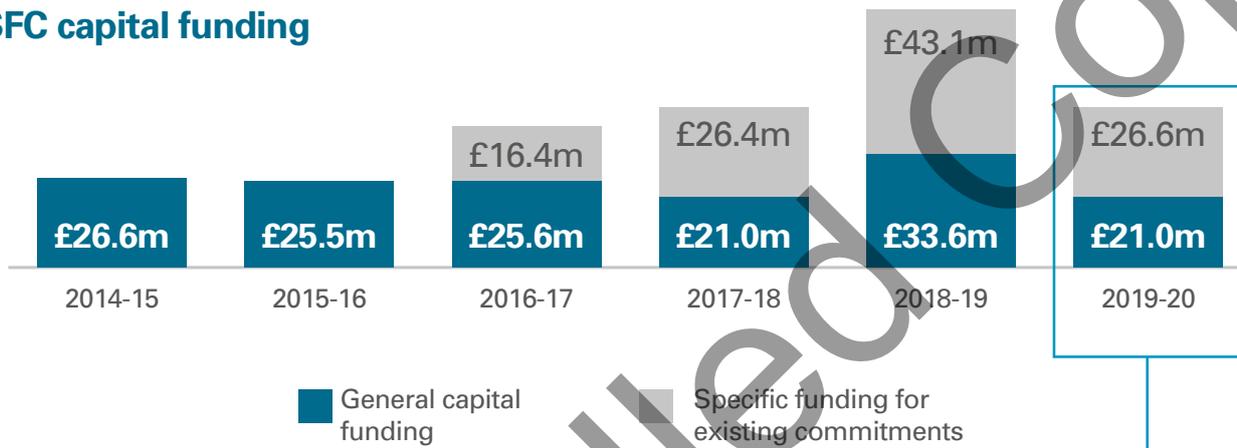


£47.6 million

Capital funding in 2019-20

Typically, capital funding is used for the maintenance and improvement of buildings but is becoming increasingly important for investing in and developing digital infrastructure.

SFC capital funding



Note: 1. Excluding Forth Valley
Source: Scottish Government/SFC

The potential implications of the UK's withdrawal from the EU remain unclear

25. The college sector is examining the potential implications surrounding the UK's planned withdrawal from the EU. The main areas that are likely to be affected are students, staff and funding. Data shows that:

- 7.3 per cent of credits are delivered to non-UK EU nationals (2016-17).
- Colleges' representative body, Colleges Scotland, estimates that non-UK EU nationals make up around three per cent of current staff in the sector. There will however be variation across colleges, with potentially the most significant impact being in Edinburgh and Glasgow.
- The SFC is allocating around £13 million to colleges to deliver European Social Fund (ESF) activity in 2019-20. This includes an assumed ESF contribution from the European Commission of around £5 million (around 0.7 per cent of current total sector income), subject to the submission of successful claims to the Scottish Government. College accounts for 2017-18 show that an additional £2.6 million of European income was received across the sector (0.4 per cent of total sector income). This was predominantly for ERASMUS+ placements.⁶

26. The wider potential implications of EU withdrawal remain unclear. While the direct impact on colleges is likely to be relatively small compared to some other parts of the public sector, colleges anticipate that the indirect effects could be much more significant. This includes potential reductions in EU funding that colleges receive through students funded by other organisations.

Part 2

Performance



Key messages

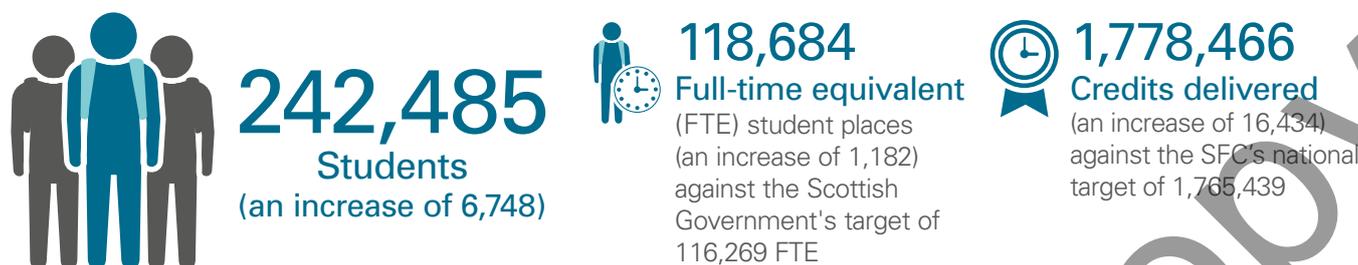
- 1 Student numbers increased, and the sector exceeded its learning activity targets. Over the past three years, colleges have been providing less learning to students aged 16-24 and more to students aged 25 and over.
- 2 Colleges are widening access to learning for disabled, ethnic minority and care-experienced students but the proportion of learning delivered provided to students from deprived areas fell slightly in 2017-18. Attainment rates for students in most of these categories continue to be below those of the student population overall.
- 3 Fewer students are completing their courses but a slightly higher proportion of students gaining a qualification are going on to positive destinations. Average attainment rates for students in full-time education have remained relatively static in recent years. The attainment rate for full-time further education, at 66 per cent, is some distance from the SFC target of 75 per cent by 2020-21.
- 4 There continues to be considerable variation across colleges in terms of student outcomes. The SFC has agreed aspirational and stretching targets with colleges in their latest outcome agreements. Based on recent performance trends, achieving some of these targets will be very challenging for colleges.

Student numbers increased, and the sector exceeded both the Scottish Government's learning target and the SFC's national activity target

27. In return for their funding from the SFC, college regions agree a range of outcomes they aim to deliver each year. Outcome Agreements contain ten measures to assess colleges' progress. Within these ten measures there are national priority measures based around learning credits delivered, the achievement of qualifications (attainment) and successful students going on to positive destinations.

Exhibit 9

Number of students and amount of learning delivered 2017-18



Source: SFC

28. Colleges delivered 16,434 more credits than in 2016-17 and exceeded the SFC's national activity target by 0.7 per cent. Five colleges missed their individual target (by a very small percentage in two instances):⁷

- Fife College (by 0.1 per cent)
- New College Lanarkshire College (by 0.2 per cent)
- North East Scotland College (by 1.4 per cent)
- Lews Castle College (by 4.7 per cent)
- Orkney College (by 4.5 per cent).

29. Where regions miss their credit target, the SFC – or the regional body, in a multi-college region – can decide to recover funding. Where the SFC or regional body is aware that a college may miss its target, it can look to redistribute both the activity and the funding to another college or region.

30. UHI is committed to providing access to learning across the region, and to avoid centralising delivery in urban areas. Where colleges in the Highlands and Islands region have not met their targets, UHI is working closely with the colleges to understand, support them and, where necessary, review targets to reflect circumstances. For example, Lews Castle College faces particular challenges due to a declining population in the Outer Hebrides, and UHI is working with the college to assess the effects of this change, and to support the college to adjust its focus to deliver a financially sustainable operating model.

31. Colleges also exceeded the Scottish Government's target of delivering 116,269 FTE places⁸, delivering 118,684 FTE places, an increase of 1,182 (one per cent) on 2016-17 ([Exhibit 9](#)). The Scottish Government's target has remained constant since 2012-13 though the context in which colleges operate has been changing:

- The young Scottish population has been reducing and is projected to reduce further over the next few years. This is resulting in fewer young students (16-24) at college, and more school-aged and older students.

- The Scottish Government continues to promote widening access to further and higher education. Its aim is for 20 per cent of students entering university to be from the 20 per cent most deprived areas by 2030. While colleges play an important role in supporting a learner's whole journey, this may reduce the number of students that will consider studying at college in future.

Over the past three years, colleges have been providing fewer credits to students aged 16-24 and more to students aged 25 and over

32. In October 2017, the Minister for Further Education, Higher Education and Science confirmed that colleges no longer needed to prioritise full-time education for 16-24 year olds.⁹ It is clear that college provision was changing before this announcement. Between 2014-15 and 2017-18, the number of students aged 16-24 fell by 6,887 (or by six per cent). There was a corresponding increase in the number of students aged 25 and over by 6,664 (or by seven per cent). Over the same period, the proportion of learning credits delivered by colleges shifted from students aged 16-24 to students aged 25 and over by four percentage points ([Exhibit 10, page 21](#)).

33. Between 2014-15 and 2017-18, there was an increase of 86 per cent (15,815) in the number of school pupils under 16 years of age attending college. Students aged under 16 now make up an additional six per cent of the student population compared to 2014-15. Despite this, credits delivered to under 16 years old have remained very small at only around three per cent. Under the Scottish Government's Developing the Young Workforce programmes, colleges work closely with schools and councils, offering more vocational courses to school pupils. Most courses will not be graded but aim to expand pupils' curriculum choices and help them develop a career path. In 2017-18, all colleges except Newbattle Abbey College delivered credits to students under 16 years of age.¹⁰

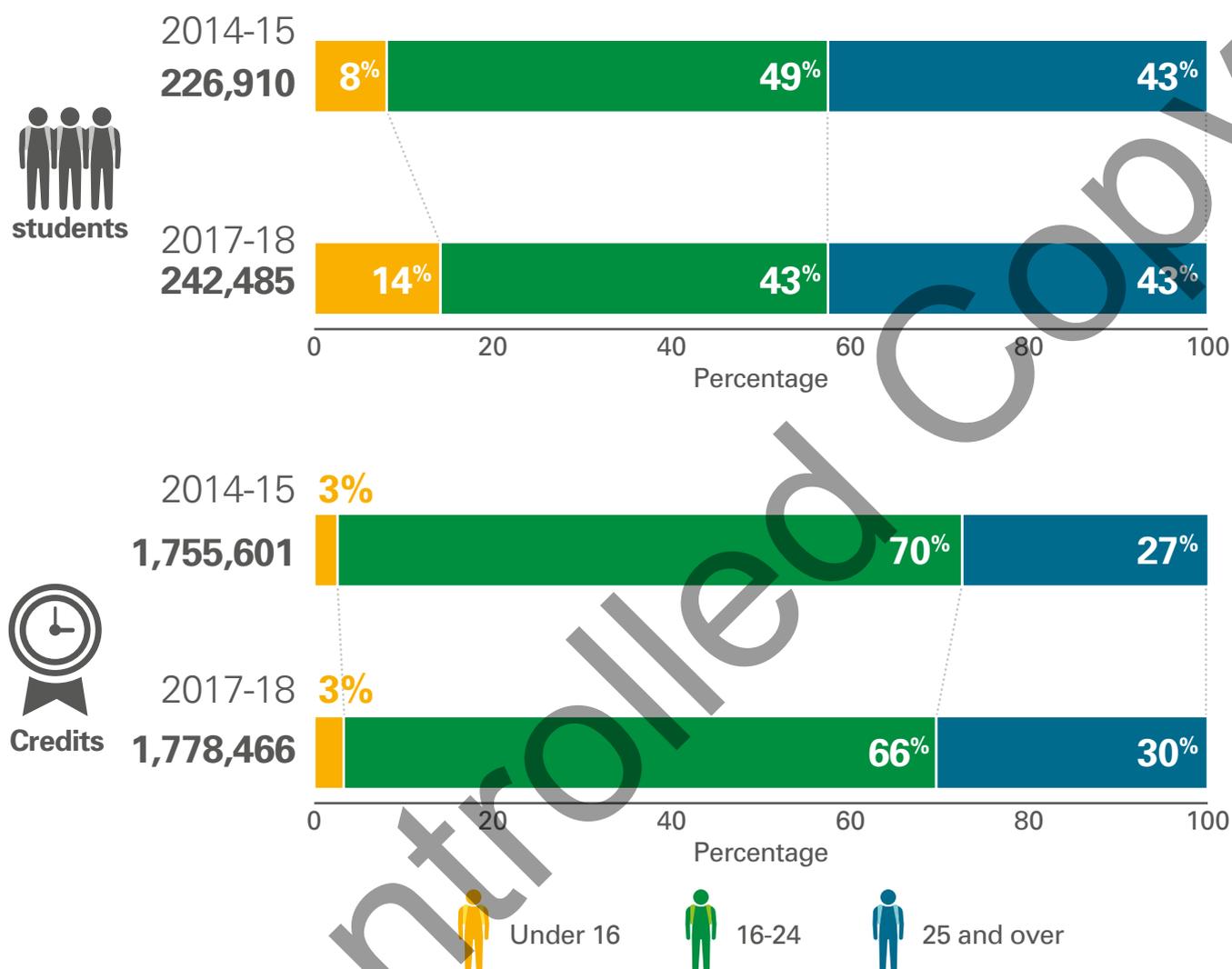
More change is needed to achieve gender balance across important subject areas

34. Female students represent 52 per cent of the student population (125,899) and males 48 per cent (115,945).¹¹ The number of female students increased by more than the number of male students in 2017-18 (increasing the proportion from 51 per cent last year).

35. In 2016, the SFC committed to increasing the minority gender share in the most imbalanced subjects.¹² Its aim is for the gender balance of students enrolling on important subject areas to be no greater than 75:25 per cent by 2030. Progress towards addressing the long-standing gender imbalances has been limited and will require a concerted effort from schools, colleges and wider society in making sustainable change ([Exhibit 11, page 22](#)).

Exhibit 10

Change in the number of students and learning credits delivered across the sector over the past three years



Note: The proportion of credits for 2017-18 doesn't add up to 100 per cent due to rounding.

Source: SFC

Eighteen college boards have more men than women

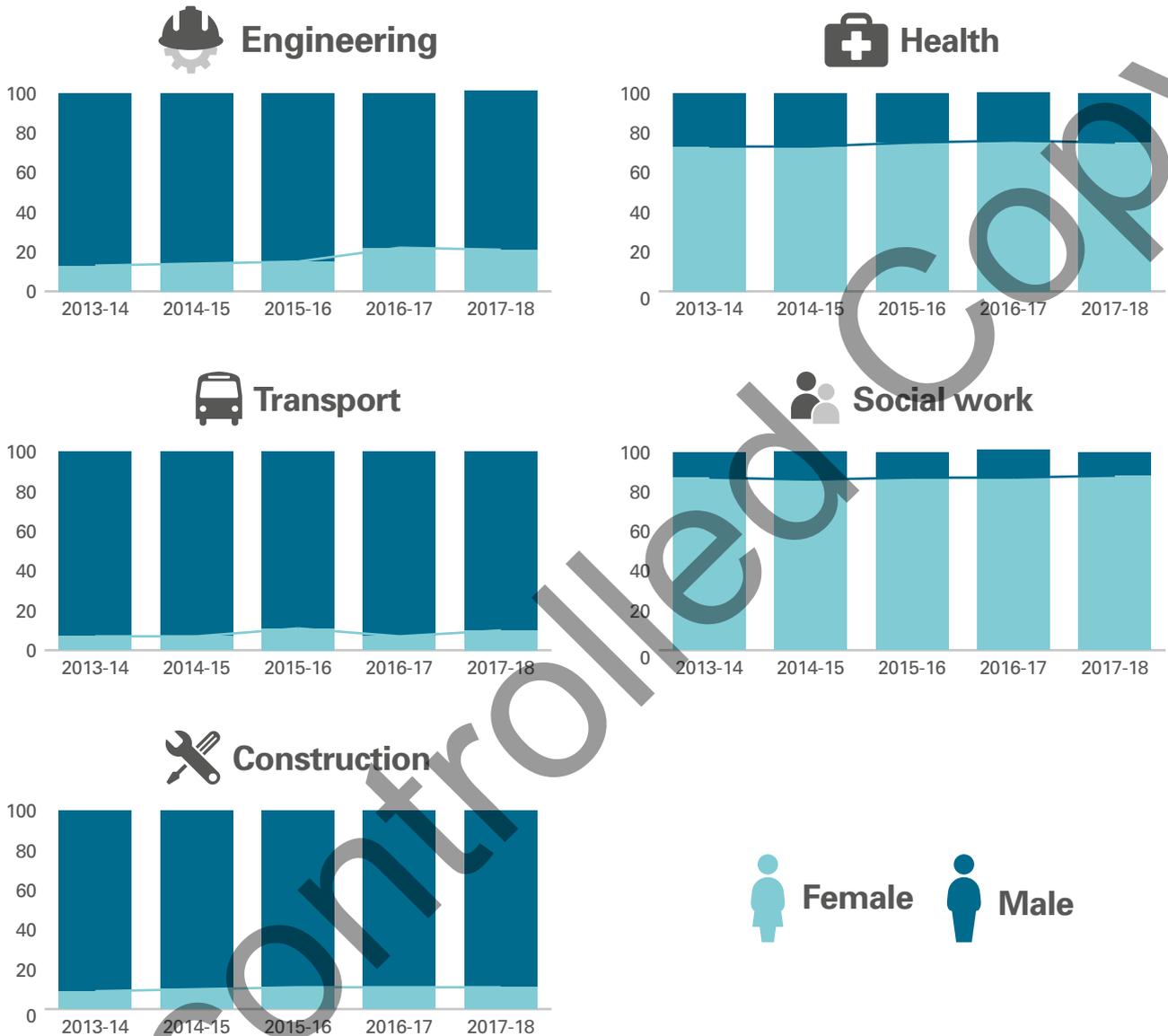
36. In February 2019, 246 board members across the sector were men (57 per cent of the total members) and 187 were women (43 per cent of the total members). The number of men increased by 12, while the number of women decreased by four.

37. Four college boards have more women members than men and five have an equal gender split. Orkney College Board has the most uneven gender balance with 19 men and three women.

38. The Gender Representation on Public Boards (Scotland) Act 2018 requires 50 per cent of non-executive members on public boards to be women by 2022. The gender balance of college boards is not entirely under the control of colleges as some members are elected to their position.

Exhibit 11

Proportion of students on each course by gender (headcount)



Source: SFC

Colleges are widening access to students from a range of backgrounds, but are not meeting targets for students from the most deprived areas

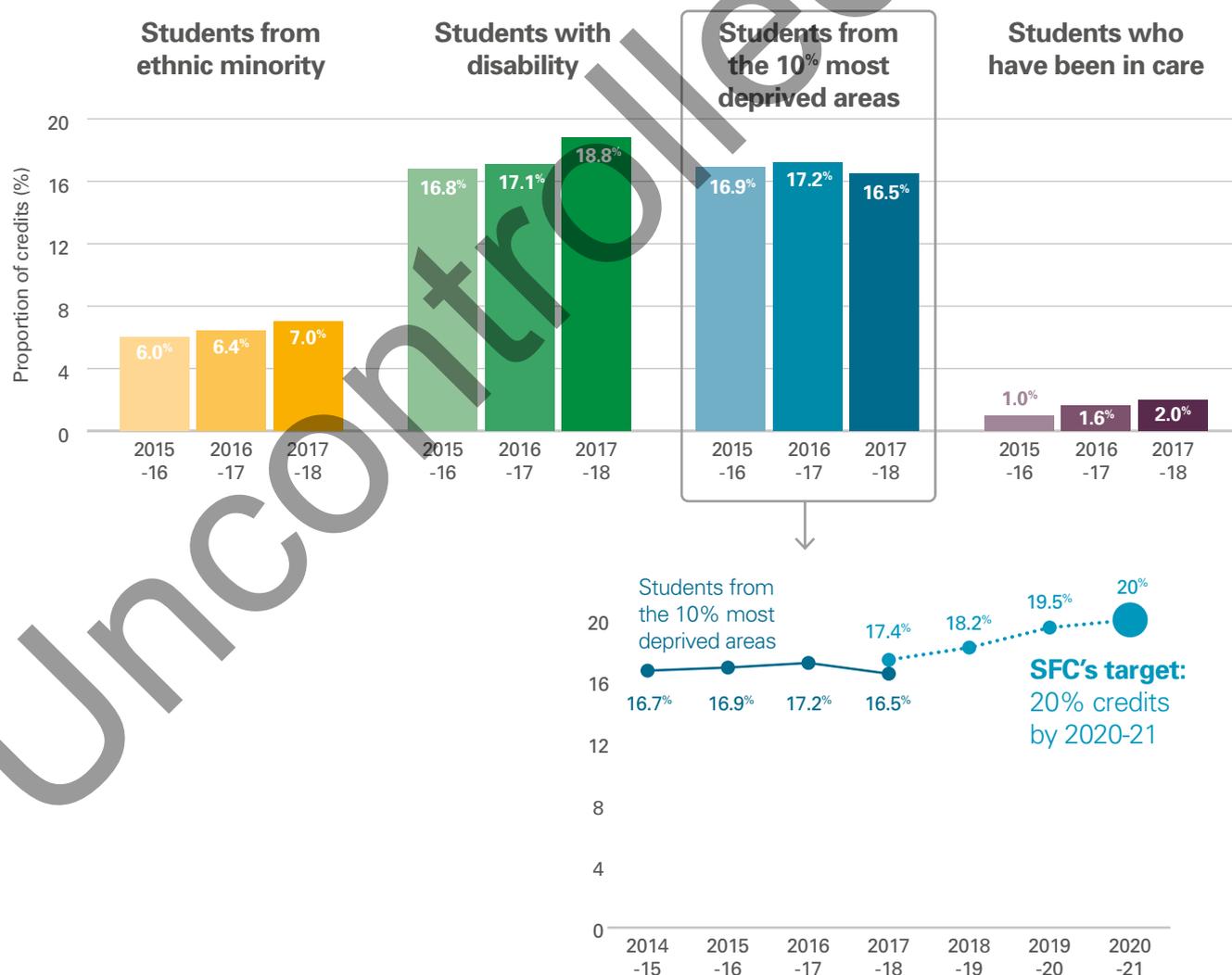
39. Colleges are committed to widening access to learning for all, particularly those who may have found it more difficult to enter further and/or higher education. Across the sector, the proportion of credits colleges deliver to students from an ethnic minority, who have been in care or who have disabilities has increased in recent years.¹³

40. The proportion of credits that colleges deliver to students from the ten per cent most deprived areas had also been increasing, but this trend reversed in 2017-18.¹⁴ The proportion of credits delivered to these students, at 16.5 per cent, was below the SFC’s national target of 17.4 per cent.¹⁵ The reasons for this decrease are likely to be complex. For example, the trend is for school pupils to stay on longer at school. Also, in line with the Scottish Government’s aim of widening access to higher education, there has been an increase in the proportion of students from deprived areas going to university. Increasing the proportion of credits to students from the most deprived areas will require a coordinated effort from schools, colleges, universities and other relevant stakeholders ([Exhibit 12](#)).

41. Based on recent trends, the SFC’s target of delivering 20 per cent of credits to students from the ten per cent most deprived areas by 2020-21 looks difficult to achieve.

Exhibit 12

Proportions of credits delivered to students from selected groups



Source: SFC

Exhibit 13

National performance summary, 2017-18

The proportion of students completing their courses is falling, but the proportion of full-time students going on to positive destinations is improving.

	 Attainment rates	 Retention rates	 Positive destinations	 Satisfaction
Further education				
 Full-time	66.1  (0.8%)	74.9  (0.0%)	86.0  (1.9%)	93.1  (0.3%)
 Part-time	78.2  (1.1%)	89.8  (0.2%)	–	–
Higher education				
 Full-time	71.3  (0.3%)	81.6  (1.2%)	81.6  (1.4%)	83.2  (4.2%)
 Part-time	80.4  (1.8%)	91.6  (0.3%)	–	–

(%) – Percentage change from the previous year

Note: The latest positive destinations data available is for 2016-17. Percentage change is from 2015-16.

Source: *College Performance Indicators 2017-18*, Scottish Funding Council, 2019; *College Leaver Destinations 2016-17*, Scottish Funding Council, 2018; and *Student Satisfaction and Engagement 2017-18*, Scottish Funding Council, 2018

Student attainment has remained relatively static in recent years and further work is required to address the attainment gap

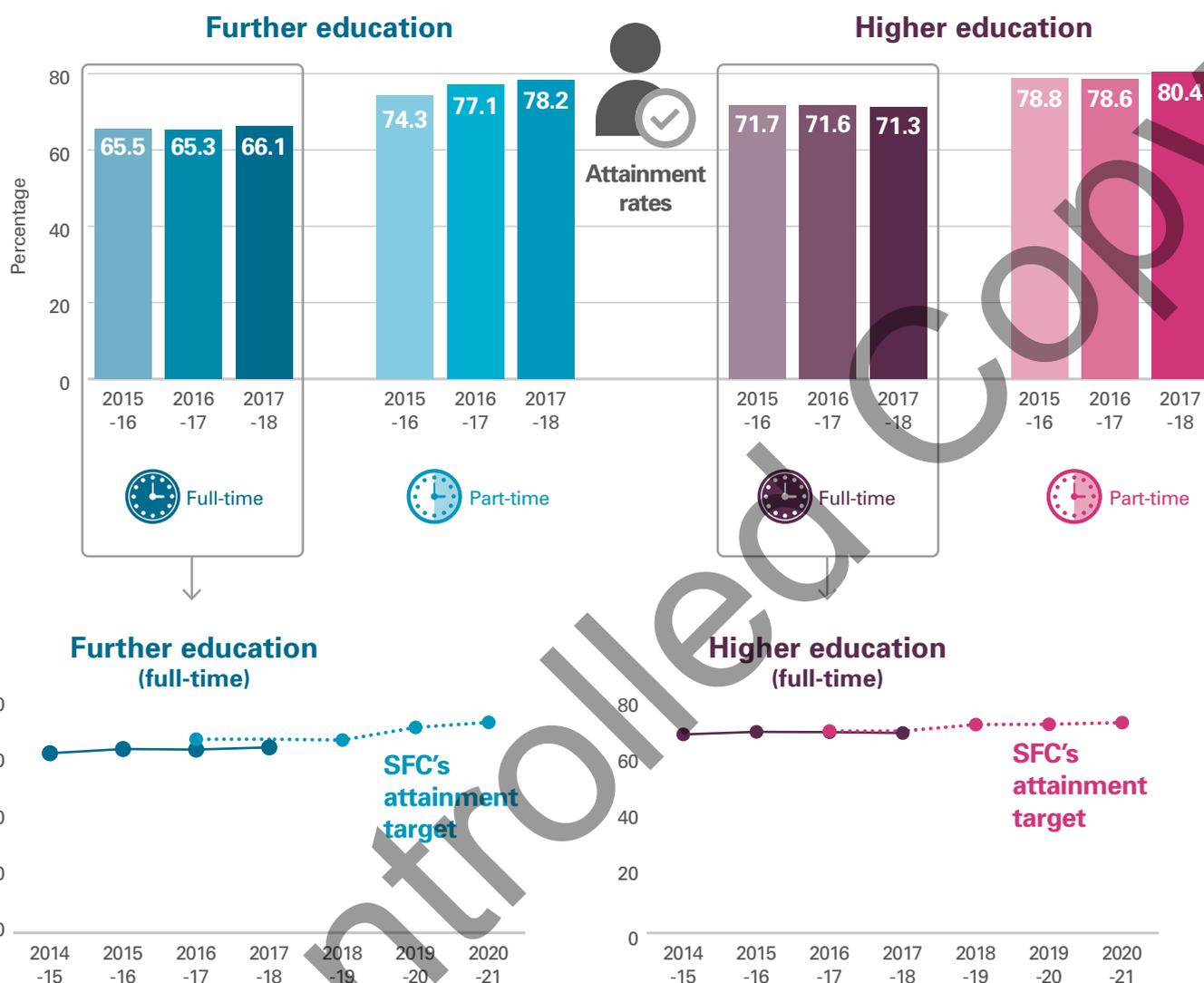
42. The SFC aims to improve attainment rates (the proportion of students completing their course successfully) in full-time further education and higher education to 75 per cent by 2020-21. The average attainment rate for full-time further education improved in 2017-18. In contrast, the average attainment rate in full-time higher education fell slightly. Both remain below the SFC's long-term target, with a significant improvement needed in further education over the next three years. The SFC has set intermediate national attainment targets for full-time students, although it did not set a target for 2017-18. It does not set national targets for part-time students ([Exhibit 14, page 25](#)).

Only two regions met all of their agreed overall attainment targets

43. There is wide variation in regional performance against attainment targets ([Exhibit 15, page 26](#)):

- West College Scotland region met all four targets. Highlands and Islands region met both targets for further education.
- Two regions missed all four targets (Dumfries and Galloway and North East Scotland colleges).

Exhibit 14 Attainment rates



Source: SFC

44. The SFC does not report the performance of college regions against regionally agreed attainment targets in its Summary of Progress and Ambitions report.¹⁶

45. In 2018-19, the SFC plans to improve its use of Outcome Agreements to achieve its desired outcomes for learners, for skills development and ultimately for inclusive economic growth in Scotland. This includes agreeing more ambitious targets with college regions to deliver Scottish Government priorities. Based on performance to date, some existing targets will be very challenging for colleges. It is important for the SFC and colleges to be clear on what will be needed to deliver the more ambitious targets.

Exhibit 15

Attainment rates: progress towards outcome agreement targets



Attainment target met in 2017-18

	No of college regions providing this type of study ¹	No of college regions	Percentage
Further education			
 Full-time	15	6	40%
 Part-time	13	9	69%
Higher education			
 Full-time	13	2	15%
 Part-time	11	5	45%

Note: 1. Total numbers are based on 13 college regions plus SRUC and Newbattle Abbey College, with the exceptions being: Part-time further and higher education: Ayrshire and Newbattle Abbey colleges did not set 2017-18 targets for these measures in their Outcome Agreement; and Higher education: College outcome agreement measures are not applicable to Highlands and Islands region or SRUC at this level.

Source: SFC

More work is required to close the attainment gap for certain groups of students

46. Students from an ethnic minority, on average, achieve better results than the overall student population, but more work is required to close the attainment gap for the rest of the identified student groups.¹⁷ Students who have been in care have the lowest attainment rates, and were the only group where attainment decreased in 2017-18 ([Exhibit 16, page 27](#)).

47. The SFC is committed to raising the attainment rates for students from the most deprived areas to achieve overall attainment rates of 75 per cent by 2027-28.¹⁸ In [Scotland's colleges 2018](#) , we reported that the attainment gap between students from the least and most deprived areas had increased between 2011-12 and 2016-17.

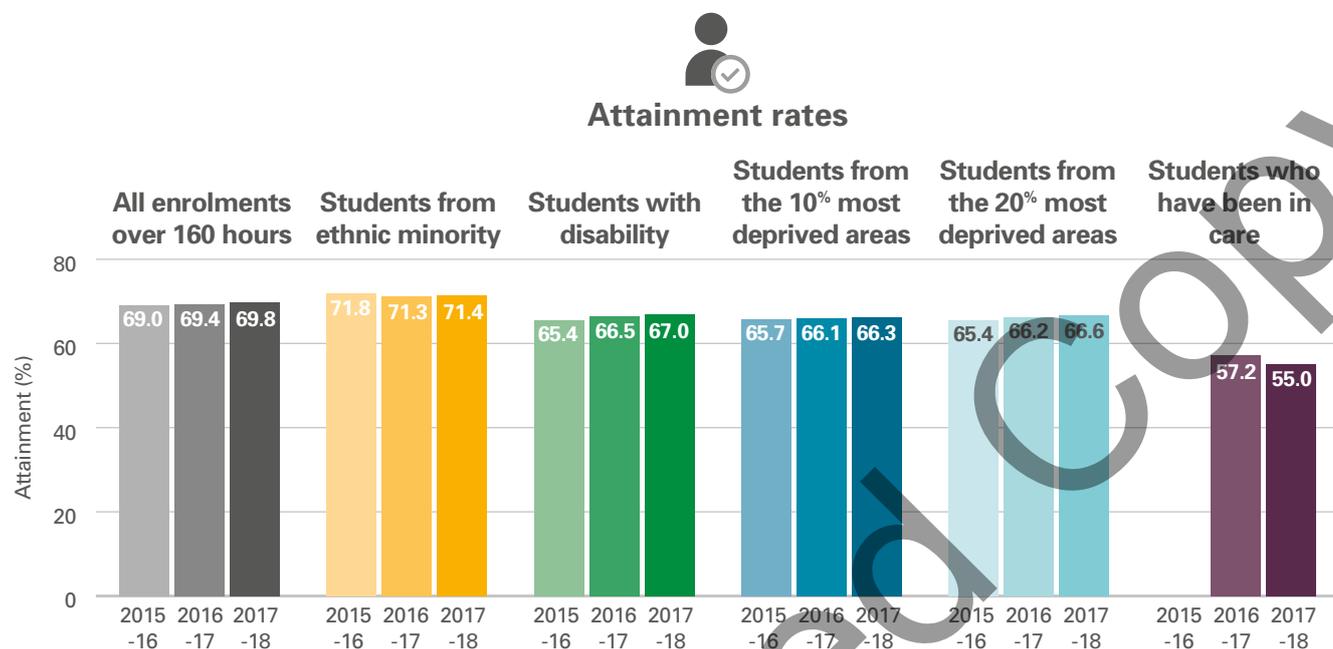
48. Last year, we reported that the attainment gap in 2016-17 increased between those students from the least and most deprived areas. In 2017-18, the attainment gap for those in further education closed slightly, from 7.4 to 6.5 percentage points (69.7 per cent compared to 63.2 per cent). The attainment gap for those in higher education was 7.7 percentage points, the same as in 2016-17 (74.4 per cent compared to 66.7 per cent).

Fewer students completed their course in 2017-18

49. Challenges still exist in improving student retention (the proportion of students completing their course, either successfully or partially). The proportion of full-time further education students that completed their course remained unchanged in 2017-18 but the proportions fell for all other types of study ([Exhibit 17, page 27](#)).

Exhibit 16

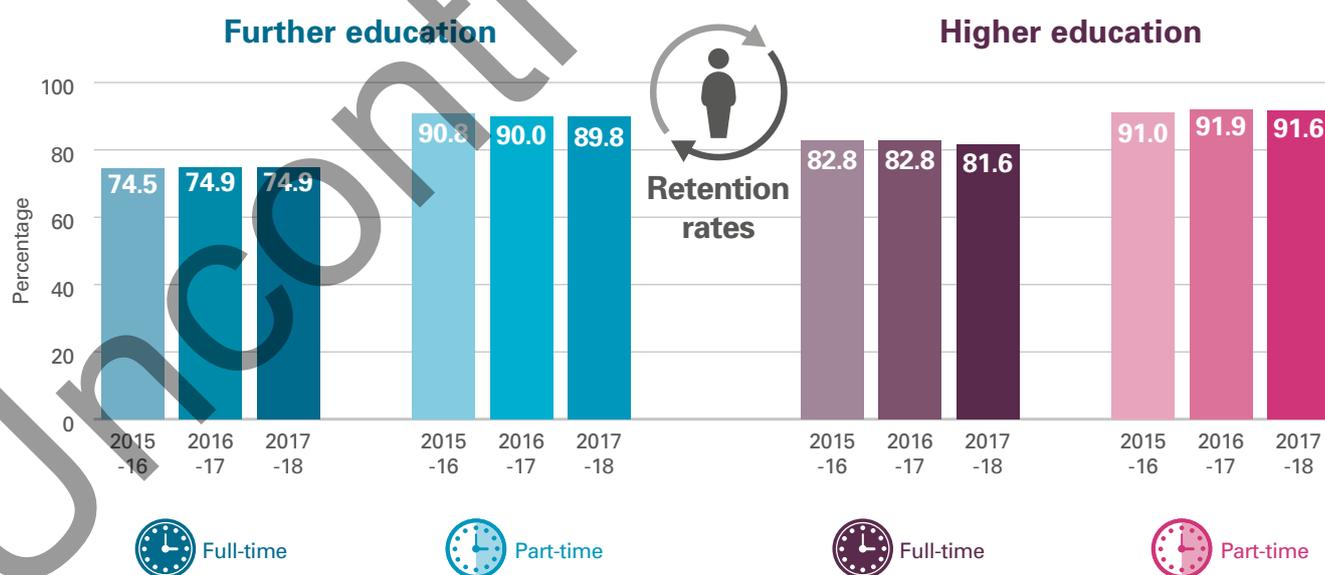
Attainment on courses over 160 hours for students from selected groups



Source: SFC

Exhibit 17

Proportion of students completing their course



Source: SFC

50. Since 2017, the Scottish Government has been running a College Improvement Project (CIP) to raise attainment and retention. It has worked with five colleges through the CIP, trying to identify what improvement can be shared across the sector.¹⁹ The project is scheduled to finish in 2019. While it is too early to assess the impact of the project, more work is required to improve retention. The Scottish Government plans to monitor changes in retention as improvement actions are scaled up and spread to different courses within the colleges and across the sector.

A greater proportion of students who qualify are going on to positive destinations

51. Latest data (covering 2016-17) shows that 95 per cent of full-time student qualifiers with destinations confirmed entered a positive destination, such as employment or continued education (2015-16, 94.9 per cent).²⁰ Of all qualifiers, 84.5 per cent moved into a positive destination (2015-16, 82.7 per cent). Around two-thirds of all qualifiers went on to further study or training (up by one percentage point from 2015-16). 17.7 per cent of all qualifiers entered work (up by 0.7 percentage point).

The SFC does not publish college-level student satisfaction data

52. Student satisfaction is a performance measure in college Outcome Agreements. For 2017-18, the SFC reported student satisfaction for the sector, but only using data from those colleges that received at least a 50 per cent response rate to their survey (15 of 26 colleges for full-time further education and five of 15 colleges for full-time higher education). It does not publish student satisfaction data for individual colleges or results for part-time and distance or flexible learning students. Publishing good-quality information on student satisfaction for individual colleges would allow students, and potential students, to determine whether a college provides a good experience for students. It also means that colleges can be effectively held to account by other stakeholders.

53. The SFC has been working with the college sector to conduct the Student Satisfaction and Engagement Survey (SSES) since 2015-16. However, over the past three years, response rates to the SSES have varied noticeably across colleges and the SFC does not yet believe that all colleges are conducting the survey in a way that allows either it or individual colleges to place reliance on the survey results. The SFC held an event for colleges in February 2019 to explore ways to improve response rates.

College performance varies widely for student outcomes

54. Taken together indicators on student attainment, retention, destinations and satisfaction provide a broad indication of a college's performance. There was significant variation in performance across colleges; the proportion of students from deprived areas can influence performance, but it is clearly not the only factor ([Exhibit 18, page 29](#)).

Exhibit 18

Performance indicators for full-time further education in colleges

Colleges	 % credits for FT	 Attainment rates	 Retention rates	 Positive destinations	 Satisfaction	College's self-evaluation for 'Outcome and Impact'
Glasgow Kelvin College	45.5	60.2 ↓	69.0 ↓	82.9 ↑	-	Good
West College Scotland	58.5	69.2 ↑	78.1 ↑	80.6 ↓	-	Good
Glasgow Clyde College	67.1	66.1 ↑	74.9 ↑	82.8 ↑	96.7 ↑	Good
Ayrshire College	74.4	66.9 ↔	73.9 ↓	82.6 ↓	-	Good
City of Glasgow College	58.9	67.9 ↓	76.3 ↓	91.2 ↑	84.5 ↓	Very Good
New College Lanarkshire	75.4	61.4 ↑	68.3 ↑	89.9 ↑	89.0 ↓	Satisfactory
Dundee and Angus College	70.0	75.4 ↑	81.4 ↑	81.7 ↑	95.4 ↑	Very Good
Fife College	61.8	59.1 ↑	73.4 ↑	71.7 ↑	91.9 ↑	Satisfactory
South Lanarkshire College	74.5	69.7 ↓	76.2 ↑	89.1 ↓	98.5 ↑	Very Good
West Lothian College	67.9	65.5 ↑	75.3 ↑	89.7 ↑	-	Good
Forth Valley College	51.8	71.4 ↓	77.2 ↓	75.6 ↓	95.1 ↓	Very Good
Edinburgh College	62.9	60.7 ↓	70.6 ↓	85.9 ↑	-	Good
Newbattle Abbey College	100.0	52.1 ↓	69.9 ↓	81.3 ↑	100 ↑	Good
Dumfries and Galloway College	70.6	59.6 ↓	70.6 ↑	88.3 ↑	-	Satisfactory
Perth College	78.4	70.0 ↓	77.2 ↓	85.2 ↑	96.2 ↑	Good
Borders College	78.0	68.7 ↑	77.1 ↑	86.9 ↓	-	Very Good
SRUC Land based	63.9	68.3 ↓	82.3 ↓	87.8 ↓	-	-
North Highland College	55.7	71.8 ↑	83.2 ↑	90.0 ↑	-	Very Good
Argyll College	47.4	76.0 ↑	82.0 ↑	80.9 ↓	94.3 ↑	Very Good
West Highland College	48.1	69.8 ↓	77.8 ↓	87.4 ↑	100 ↑	Very Good
Inverness College	69.5	70.6 ↑	77.7 ↑	87.3 ↓	94.7 ↑	Very Good
North East Scotland College	72.6	66.6 ↑	77.0 ↑	87.2 ↓	94.0 ↑	Good
Lewis Castle College	46.5	60.8 ↓	71.6 ↓	90.3 ↑	100 ↑	Satisfactory
Moray College	74.2	69.0 ↑	75.5 ↑	84.2 ↑	94.0 ↑	Good
Orkney College	33.1	75.0 ↓	80.3 ↓	84.3 ↓	-	Very Good
Shetland College of Further Education	32.0	77.8 ↓	85.6 ↑	97.2 ↑	-	Very Good
Number of colleges where performance increased in 2017-18 ↑		13	15	16	13	
Proportion of total number of colleges %		50%	58%	62%	87%	
Quartile:	Highest	1	2	3	4	Lowest

Notes:

- Colleges are listed according to the proportion of students from the most deprived areas (Glasgow Kelvin College having the highest proportion).
- Percentage point changes are from 2016-17 (For leaver's destination data, from 2015-16. See Note 3).
- The latest leaver's destination data available is for 2016-17. The figures are across further and higher education study. College-level figures published are not broken down by the two.
- The overall student satisfaction rates are included only for colleges with a response rate of 50 per cent or more, in line with the SFC publication.
- For each indicator, we have shown colleges' performance broken down into quartiles, with the highest performance shown in Quartile 1 and the lowest performance in Quartile 4.

Source: *College Performance Indicators 2017-18*, Scottish Funding Council, 2019; *College Leaver Destinations 2016-17*, Scottish Funding Council, 2018; *Student Satisfaction and Engagement 2017-18*, Scottish Funding Council, 2018; Colleges' self-evaluation reports, 2019; and SFC's Infact database

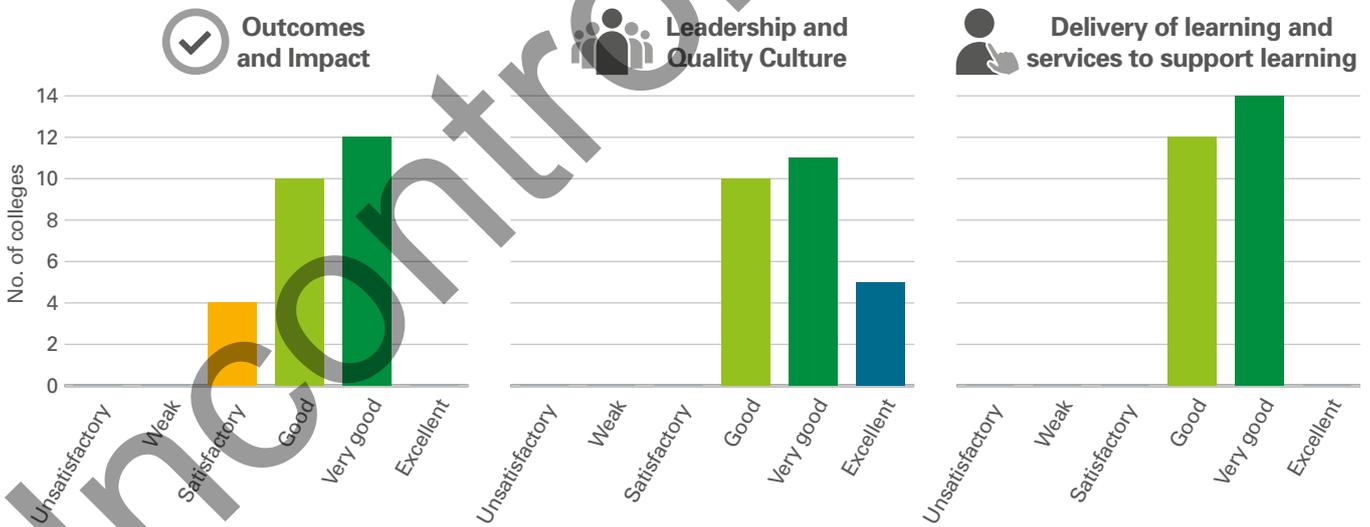
Colleges have published enhancement plans to improve their performance

55. The SFC and Education Scotland, the national body for supporting quality and improvement in learning and teaching, introduced a new quality assessment evaluation framework for colleges, *How good is our college?* in 2016.²¹ The new quality framework is based on a validated self-evaluation and is intended to enable colleges to assess progress and develop an improvement plan.

56. In January 2019, individual college results were published for the first time with grades in three categories: Outcomes and impact; Leadership and quality culture; and Delivery of learning and services to support learning. All colleges graded themselves as 'Good' or above for two of the three categories. In general, colleges assessed their Leadership most highly and the outcomes and impact for students least highly ([Exhibit 19](#)).

57. The factors considered in relation to 'Outcomes and impact' map closely to attainment and retention but not to positive destinations and student satisfaction. Some colleges which consider their performance to be 'Good' or better have relatively low levels of attainment (in the bottom half of the quartiles). It is not clear how colleges' own assessment of performance fits with the views of their students and staff.

Exhibit 19
College's self-evaluation grades



Source: Education Scotland

Endnotes



- 1 *College Staffing Data 2017-18*, Scottish Funding Council, 2019.
- 2 Financial forecast returns submitted by colleges to the SFC in September 2018 and covering the period to 2022-23.
- 3 [College sector estates condition survey](#) , Scottish Funding Council, December 2017.
- 4 This includes £1.5 million to support business cases for the highest priority campuses and £1.4 million for very high priority maintenance at Fife College.
- 5 *Outcome agreement funding for colleges*, Scottish Funding Council, 2019.
- 6 Erasmus+ is the European Union programme for education, training, youth and sport. It runs for seven years, from 2014 to 2020. Erasmus+ aims to modernise education, training and youth work across Europe. It is open to education, training, youth and sport organisations across all sectors of lifelong learning, including school education, further and higher education, adult education and the youth sector.
- 7 Lanarkshire region and the Highlands and Islands region both met their regional targets.
- 8 *College Statistics 2017-18*, Scottish Funding Council, 2019.
- 9 2018-19 Outcome Agreement Guidance, Letter from Minister for Further Education, Higher Education and Science to Chair of Scottish Funding Council, 2017.
- 10 SFC's Infact database.
- 11 According to the SFC's Infact database, 641 students did not give their gender or described it as 'Other'.
- 12 Gender Action Plan, Scottish Funding Council, 2016.
- 13 *College Statistics 2017-18*, Scottish Funding Council, 2019.
- 14 The level of deprivation is calculated using the Scottish Index of Multiple Deprivation (SIMD) 2016. In the previous two years, it is based on the SIMD 2012.
- 15 [College Region Outcome Agreements: Summary of Progress and Ambitions](#) , Scottish Funding Council, September 2017.
- 16 [College Region Outcome Agreements Summary of Progress and Ambitions report 2018](#) , Scottish Funding Council October 2018, summarises performance for the sector from colleges regions' Outcome Agreements.
- 17 *College Performance Indicators 2017-18*, Scottish Funding Council, 2019. Attainment on courses over 160 hours.
- 18 *Guidance for the development of College Outcome Agreements: 2017-18 to 2019-20*, Scottish Funding Council, 2016.
- 19 Dundee and Angus College, Edinburgh College, Inverness College UHI, New College Lanarkshire and West College Scotland.
- 20 *College Leaver Destinations 2016-17*, Scottish Funding Council, 2018. The data available is for full-time students only across further and higher education.
- 21 *How good is our college?*, Education Scotland, 2016.

Appendix

Audit methodology



What the report covers

This report looks at all colleges in the sector and Scotland's Rural College (SRUC), to present a comprehensive picture of the sector and its performance.

Until 1992, Scottish councils ran all publicly funded colleges in Scotland. Under the Further and Higher Education (Scotland) Act 1992, most of these colleges established their own corporate body and boards of management. The boards of management took over responsibility for the financial and strategic management of the colleges. These colleges are referred to as incorporated colleges and produce accounts which are subject to audit by the Auditor General for Scotland. The remaining six colleges are generally referred to as non-incorporated colleges. SRUC is classed as a higher education institution but counts towards the achievement of the national target for colleges. The report primarily focuses on incorporated colleges. However, we state clearly where we include data relating to non-incorporated colleges.

The college sector in Scotland comprises the 20 incorporated colleges and six non-incorporated colleges, organised into 13 college regions (as shown in Appendix 2 of [Scotland's colleges 2018](#)). Ten of these regions consist of one college. The three remaining regions (Glasgow, Highlands and Islands, and Lanarkshire) have more than one college. The individual colleges in Glasgow and in Highlands and Islands are assigned to the relevant regional strategic body, ie Glasgow Colleges' Regional Board (GCRB) or University of Highlands and Islands (UHI). In Lanarkshire, New College Lanarkshire is the regional body and South Lanarkshire College is assigned to the Lanarkshire Board.

Financial commentary

Incorporated colleges prepare their accounts based on the academic year, which runs from 1 August to 31 July. This differs from the Scottish Government's financial year, which runs from 1 April to 31 March. We use the following conventions in this report:

- 2017-18 when referring to figures from colleges' accounts, or figures relating to the academic year
- 2017/18 when referring to funding allocations made in the Scottish Government's financial year.

Financial figures in real terms are adjusted for inflation. The base year for this report is 2017-18. The GDP deflator provides a measure of general inflation in the domestic economy. We have used the GDP deflator from March 2019 to calculate the real-terms figures for other years.

Our audit involved

- Analysing relevant Scottish Government budget documentation, colleges' audited accounts and auditors' reports covering the financial periods ending July 2018.
- Analysing information held by the SFC, including financial, performance and activity data.
- Interviewing Colleges Scotland, student unions, trade unions, the SFC and the Scottish Government.
- Analysing data that we requested from colleges' external auditors.

Detailed methodology for specific sections in the report

Underlying financial position [\(page 7\)](#)

Incorporated colleges reported an overall deficit of £29.8 million in their 2017-18 audited accounts. In reporting the underlying financial position, we have used the SFC's data for each college based on the accounts direction it issued in 2018.

Calculating student numbers [\(page 19\)](#)

In this report we present student numbers by headcount, drawn from the SFC's Infact database. Where possible, this headcount excludes any multiple enrolments, meaning if a student had been enrolled at two colleges in 2017-18 they would only be counted once. Where we show full-time and part-time student numbers this will include multiple enrolments.

In line with last year's report, we have included non-incorporated colleges and SRUC to give a comprehensive picture of performance against the Scottish Government's national target for learning activity.

Scotland's colleges 2019

This report is available in PDF and RTF formats, along with a podcast summary at:
www.audit-scotland.gov.uk 

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or info@audit-scotland.gov.uk 

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Board Engagement Calendar – For Information

Month	Students	Staff	Stakeholders	Training	Board/Committee Meetings
August 19		13.08.19 Creative Learning Conference			29/30 Board Strategic Session
September 19	Fresher's Fayre, Alloa, Falkirk and Stirling				5.9.19 Audit 17.9.19 Finance
October 19	1.8.19 and 2.8.19 Graduation – Falkirk 3.8.19 Graduation - Stirling				10.10.19 LSE 24.10.19 Board
November 19		Principal's Briefings			7.11.19 HR 19.11.19 Audit/Finance
December 19		Principal's Briefings			5.12.19 Board (xmas lunch)
January 20	Opening of new Falkirk Campus	Opening of new Falkirk Campus	Opening of new Falkirk Campus		
February 20	Re-Fresher's Fayre, Alloa, Stirling and Falkirk Class Rep Training, Falkirk	Support staff development			20.2.20 LSE 27.2.20 Board
March 20	Open Evenings Scots Graduation, Stirling		MA Week		24.3.19 Finance
April 20	Student Council Meeting, Alloa Student Council Meeting, Falkirk Student Council Meeting, Stirling				23.4.20 HR 30.4.20 Board
May 20			Making Learning Work Dinner (possibly June)		21.5.20 Audit 28.5.20 LSE
June 20	Scots Graduation, Falkirk Creative Industries Exhibition Salon Services Awards				16.6.20 Finance 25.6.20 Board
To be confirmed		Leadership Group meeting Listening to Employees Forum	SFC Strategic Dialogue Education Scotland	CDN training dates to be confirmed	

Good practice note on improving the quality of college annual report and accounts

Governance statements



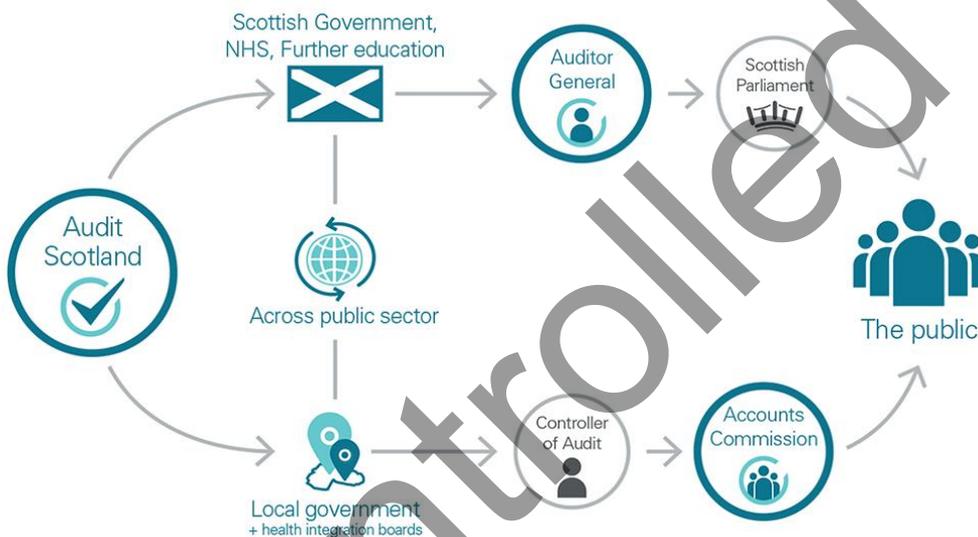
Prepared for colleges and appointed auditors

14 May 2019

Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

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Introduction

Purpose

1. Audit Scotland promotes good practice in financial reporting in Scottish public bodies. Audit Scotland's Professional Support carry out reviews of annual report and accounts to identify and share examples of good practice reporting and highlight areas where improvements can be made.
2. This good practice note shares the findings from a review of the 2017/18 governance statements included within the annual report and accounts of the incorporated colleges and regional boards.

Context

3. Governance statements were chosen for a good practice review because 2017/18 was the second year of colleges applying the Code of Good Governance for Scottish Colleges 2016 (good governance code). Professional Support waited until year two to allow time for good practice to develop.
4. The review of governance statements was carried out by a team with knowledge of the relevant financial reporting framework. However, the team does not have a detailed understanding of each college's particular circumstances or the specific underlying governance structures.
5. Colleges are encouraged to use the findings in this report to assess and enhance their own disclosures to ensure they provide high quality information to stakeholders in their governance statements.

Financial reporting requirements

6. Colleges are required to prepare their annual report and accounts in accordance with an accounts direction from the Scottish Funding Council (SFC) which requires compliance with the [governance statement section](#) of the *Scottish public finance manual* (the SPFM). The SPFM sets out the following essential features of a governance statement:
 - the governance framework of the organisation, including information about the committee structure of the governing board (or equivalent) and the coverage of its work
 - the operation of the governing board (or equivalent) during the period
 - an assessment of corporate governance with reference to compliance with generally accepted best practice principles and relevant guidance, and explanations where a different approach has been adopted
 - an assessment of the organisation's risk management arrangements and risk profile, including, subject to a public interest test, details of significant risk-related matters arising during the period
 - a record of any written authorities provided to the Accountable Officer; and
 - details of any significant lapses of data security.

Colleges should use this good practice note to assess and enhance their own governance statements

The examples presented in this note are all unaltered from governance statements in colleges' 2017/18 annual report and accounts

Unqualified audit opinions do not mean there is no scope for improving the quality of governance statements

7. The good governance code is considered by the SFC to represent generally accepted best practice. A basic form of wording for the assessment of compliance is provided in the accounts direction. This gives colleges the opportunity to report publicly on the extent to which they meet good governance requirements.
8. The 2017/18 governance statement of each college was also considered by the appointed external auditors with a view to expressing opinions on whether the statements were consistent with the financial statements and included the content required by the accounts direction. As there were no qualified opinions, there is reasonable assurance that minimum disclosure requirements were met. However, it should not be inferred that there is no scope for colleges to improve the quality of their governance statements.

Characteristics of high quality governance statements

9. Beyond basic compliance with requirements, there are a number of characteristics of financial reporting which Professional Support believe make for a high quality governance statement. These are summarised in Exhibit 1.

Exhibit 1

Characteristics of a high quality governance statement	<p>A single story What worries board members Cut the clutter Clarity Summarise Explain change</p>
---	--

These characteristics are based on those used by the Financial Reporting Council adapted for the public sector context

10. The remainder of this good practice note is structured around these characteristics, and it discusses and highlights some of the good practice adopted by colleges in relation to each one. The note also includes points for colleges to consider in striving to achieve good practice.

Contact points

11. The contact points for this good practice note are Neil Cameron, Manager (Professional Support) - 0131 625 1797 or Helen Cobb, Senior Adviser (Professional Support) - 0131 625 1901.

Part 1

A single story

Introduction

12. There should be a single, coherent narrative running through the whole of the annual report and accounts. The governance statement is a key component and should play its part in telling that single story.

Coherent narrative

13. The governance statement should not be prepared in isolation from the other components of the annual report and accounts. By taking an integrated approach, colleges can identify and highlight relationships between the governance statement and items in the other components.
14. The governance statement should be structured in a way that allows a cohesive and clear narrative flow. Although the SPFM identifies the essential feature for a governance statement as a list of bullets, a checklist approach is unlikely to achieve effective communication. Colleges should structure the governance statement to ensure it tells an understandable story of their governance arrangements.
15. Good linkages between related disclosures is essential for the annual report and accounts to communicate a holistic story. Insufficient linkage between different components can make it appear disjointed. In particular, there should be clear links to the college's strategy and objectives, with an explanation of how governance arrangements support their realisation. Exhibit 2 provides an example of such linkage:

The governance statement should be structured in a way that allows a cohesive and clear narrative flow

Exhibit 2

In September 2017, the Board of Management approved a new Strategic Plan, setting out Edinburgh College's strategic aims over the next five years to 2022.

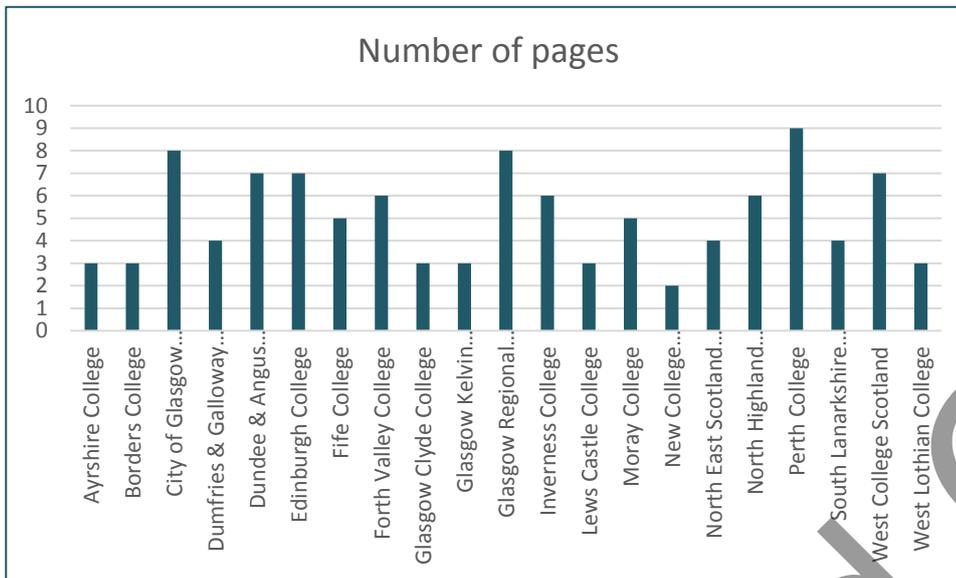
The Strategic Plan 2017/22 sets out the vision of the college for further education as a regional college across Edinburgh, Midlothian and East Lothian. It outlines the approach of the college to delivering an expansive and progressive curriculum to meet the needs of industry and equip students to meet the demands of the modern workplace. The plan has the college's values at its centre, to define our culture and foster a positive working environment. It also focuses on the status of the college as a key partner in community planning partnerships.

Length of governance statement

16. A comparison of the lengths of each college's governance statement showed a significant variation. The number of pages of the governance statements for 2017/18 are summarised in Exhibit 3.

Exhibit 3

Length of governance statements

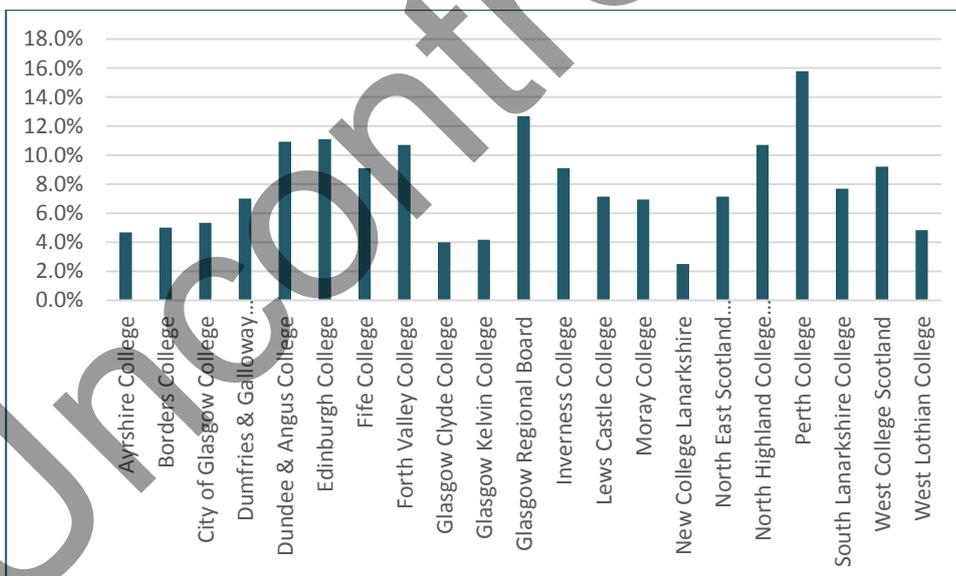


The average length of the governance statement was 5 pages. The longest was 9 pages and the shortest 2

17. The variation in length was not always explained by the relative size of the annual report and accounts. Exhibit 4 shows the length of the governance statement as a percentage of the overall length of the annual report and accounts:

Exhibit 4

Length of governance statement as a percentage of total length of accounts



The proportion ranged from 2% to 16%

18. Colleges should always strive for the governance statement to be brief, focussed and high level. These key themes are explored further in later sections of this good practice note.

Explanation of governance statement

19. The governance statement forms part of a college's corporate governance report within the accountability report. Most colleges included a heading to identify the governance statement. Exhibit 5 illustrates a clear explanation of the elements of the corporate governance report including the governance statement:

Exhibit 5

ACCOUNTABILITY REPORT

The Accountability Report comprises the Corporate Governance Report and the Remuneration and Staff Report, and is signed by the Chair and the Principal.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report comprises the following sections:

- Directors' Report
- Statement of the Board of Management's Responsibilities
- Governance Statement
 - Statement of Compliance
 - Governance Structure
 - Corporate Strategy
 - Board's Statement on Internal Control
 - Going Concern

The governance statement should be clearly identified within the wider accountability report

20. The governance statement is required to cover the responsibilities of the college's board of management in relation to corporate governance. The SPFM requires it to provide the reader with a clear understanding of the college's internal control structure and its management of resources.
21. It is helpful to users if an explanation of the purpose of the governance statement is provided. To be most helpful, the explanation should address how the statement fits in with the other components of the annual report and accounts.
22. Most colleges provided a suitable introduction in 2017/18 setting the context and explaining the purpose of the statement. Exhibit 6 provides an example of a clear explanation:

Exhibit 6

Introduction

Dundee and Angus College is committed to exhibiting good practice in all aspects of corporate governance. This governance statement is written to assist the reader of the financial statements understand how the principles have been applied.

This governance statement is designed to supplement the information provided in the financial statements. It sets out the governance structures, risk management and internal control processes that have been operating in the College in the year to 31 July 2018 and reports the Board's assessment of the effectiveness of these arrangements.

The purpose of the statement should be clearly explained

Use of cross-referencing

23. It is often helpful to group together similar or related disclosures in the annual report and accounts, as this will help reduce duplication and enable linkages to be highlighted and explained. Information which the SPFM requires to be included in the governance statement may be included elsewhere in the

annual report and accounts if that helps the college tell its story more effectively. However, where that is the case, a cross reference from the governance statement must be included to satisfy the requirements.

24. Exhibit 7 shows examples of the use of a cross-reference:

Exhibit 7

The College Leadership Team and Executive Management Team keep risk management under regular review, reporting into all Committee and the Board. Any urgent or escalating risks are also reported to the Chair in addition to this process.

Significant risks and management action that have been considered and agreed during 2017-18 are set out at page 5 of the Performance Report in these financial statements.

treatment of risks, and accordingly are careful to evaluate each risk individually. Section 1.3 of the overview section of this annual report details key issues and risks identified within GCRB's current risk register.

Cross references must be included where a required element is included elsewhere in the document

Issues identified in our review of whether the governance statement contributed to providing a single story:



Some colleges did not separately identify the governance statement, confused it with other elements of the wider corporate governance report, or named it inconsistently

There were significant variations in the length of the governance statement

Around a third of colleges did not provide a clear explanation of the purpose of the governance statement

Most colleges did not make use of effective cross-referencing

Points to consider when considering whether the governance statement helps to tell a single story:



Stand back and consider whether the governance statement helps to tell a fair, balanced and understandable story

Structure the statement in a way that allows a coherent and clear narrative

Aim for the statement to be brief, focussed and high level

Explain the purpose of the statement

Avoid using a checklist approach which can lead to duplication and a disjointed narrative

Innovate and experiment with presentation and ways to best tell the story

Part 2

What worries board members?

Introduction

25. In order to provide an insight into the effectiveness of a college's governance arrangements, the governance statement should be open and transparent, and should reflect those specific matters that genuinely cause the board of management concern.

Specific matters

26. The matters included in the governance statement should reflect an individual college's particular features and challenges. Colleges should strive to be as specific as possible so that users of the accounts can understand why the matters are important to the college's board of management.
27. Exhibit 8 provides an example of specific wording:

Exhibit 8

The Audit & Risk Assurance Committee receives regular reports from the college's internal Risk Management & Assurance Group. This Group reviews operational risk and proposes updates to the Top Risk Register. Any proposed changes to the Top Risk Register are highlighted and discussed by the Audit & Risk Assurance Committee, prior to a Summary Top Risk Register being presented to the Board of Management. Heads of department are also invited to attend this Committee to provide a statement on risk assurance and risk mitigation in relation to their areas of expertise. Following these meetings it is acknowledged that more work is required to improve business continuity planning during 2018/19.

The Audit & Risk Assurance Committee has also undertaken a series of risk 'deep dives' throughout the academic year 2017/18. The purpose of each deep dive was to consider key risks in greater detail to allow members to understand current and planned mitigations, internal controls and seek further assurances - if required. Examples of risk deep dives which took place in 2017/18 include: ICT / Cyber Security; General Data Protection Regulation (GDPR); Fraud and Anti-Corruption; and, Commercial Income. With regards to GDPR the Committee noted that there were no known significant lapses of data security during the year.

Matters included
should be
specific

Assessment of arrangements

28. Colleges are required to provide an assessment of corporate governance arrangements. The emphasis in the governance statement should therefore be on assessing the effectiveness of the arrangements rather than simply providing a description of those arrangements.
29. There should be a clear assessment of whether the college's governance arrangements are fit for purpose. Exhibit 9 shows an example of a clear assessment:

Exhibit 9

The internal auditor's annual report stated that, in their opinion, "GCRB has systems demonstrating adequate and effective arrangements for risk management, control and governance, and proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2017-18 and also in previous years."

Openness and transparency

- 30.** The governance statement should be an open and honest reflection of governance and the challenges faced by the college. Disclosures should provide an insight into outcomes achieved and the risks faced.
- 31.** It is unlikely that all aspects of the governance arrangements will be fully fit for purpose and colleges should be transparent about what is working well and what needs to improve. If undertaken properly and in the right spirit, the actual process of preparing the governance statement should add value to the effectiveness of the governance arrangements by surfacing underlying governance issues.
- 32.** The aim should not be to have a governance statement that does not highlight areas for improvement. A rigorous and robust assessment should identify issues that the college would need to address. Any organisation where the governance statement does not identify any issues risks creating a culture in which problems and concerns are suppressed. The absence of any issues to report could, rather than indicating a strong governance framework, signal the reverse.
- 33.** Exhibit 10 provides an example of a college highlighting areas for improvement:

The governance statement should be expected to include areas for improvement

Exhibit 10

Self Evaluation

The Chair meets with each member of the Board on an annual basis as part of the Board's process of evaluating the effectiveness of board members. The evaluation of the Board Chair is undertaken by the Vice Chair. The performance of the Board Chair is also evaluated by the Scottish Government, as regional college chairs are appointed by the Scottish Ministers and are personally accountable to them.

An external Board Governance Effectiveness Review was undertaken in January 2017. The report in February 2017 concluded that 'the college meets its obligations under the Code of Good Governance and, in a number of areas, promotes highly effective governance'.

Self Evaluation of the Board was undertaken in January 2018. This happens each year, apart from the years for External Review which are planned for every third year.

The outcome of the Self Evaluation was very positive. Key areas identified for further improvement include:

- To develop a Board Links Scheme to facilitate improved organisational knowledge and the opportunity to understand staff views, culture and College business;
- Refining the organisation and content of Board and Board Committee meetings and communication - to continue to improve the effectiveness of the meetings structure and the facilitation of effective decision making;
- Continue to improve strategic knowledge and understanding of priorities in the sector;
- Stakeholders - promote College activities and get feedback on what they want from us;
- Review and further improve Induction Packs for new Board members;
- Continue with the good uptake of development/ learning opportunities including development of networking with other college Boards.

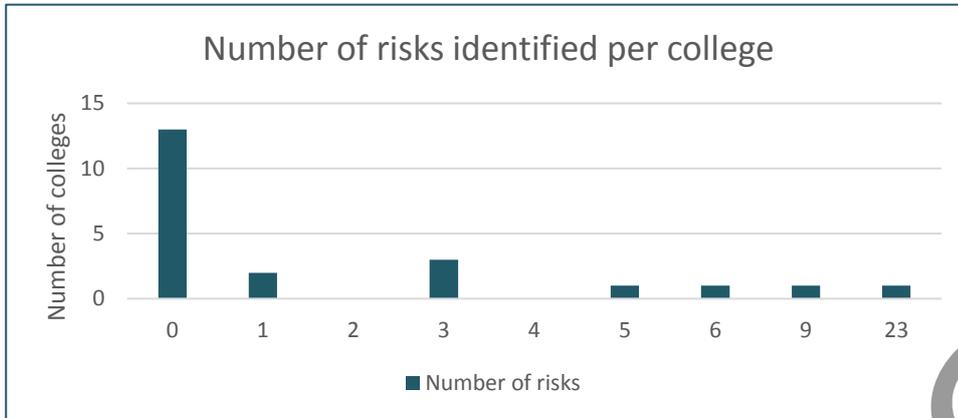
In addition to this, the Board will continue to review and refine the organisation of Board meetings and effectiveness of Board meetings.

Number of risks disclosed

- 34.** Colleges are required to disclose risk-related matters arising during the year. Our review identified a significant variation in the number of risks reported. Exhibit 11 highlights that only nine colleges disclosed risks in their governance statement.

Exhibit 11

Number of risks disclosed by each college

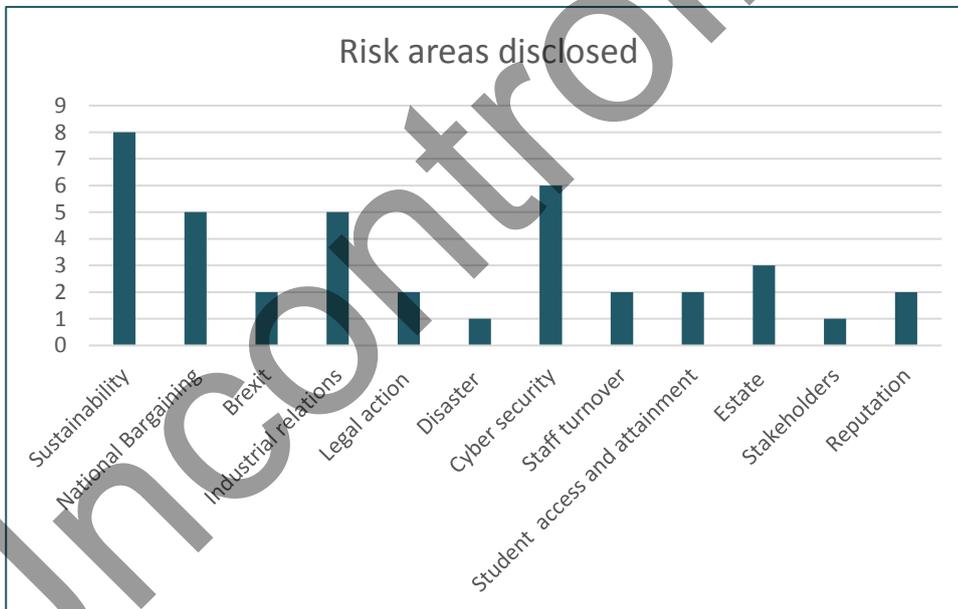


Thirteen colleges did not report any risks

35. There are many risks which are common to all colleges, for example the impact of the national pay bargaining on financial sustainability. Exhibit 12 below shows the risks disclosed and the number of colleges disclosing them.

Exhibit 12

Risk areas disclosed



36. The best disclosures explained the impact of the risks. Exhibit 13 illustrates a concise summary of the significant risks facing a college:

Exhibit 13

The Board of Management recognise that the most significant risk to the College relates to financial sustainability. Whilst this risk has been present on the risk register for some time, it is becoming a higher risk due to a number of factors, the combined effects of which pose serious challenges for the UHI partnership and the College. A new Finance Strategy is being developed and action against this strategy will provide risk mitigation. Positive engagement with UHI Executive Office and partner institutions will form a key element to minimise this risk.

This college identified the main risks it faced

Effectiveness of internal control

37. A key element of overall governance arrangements is the system of internal control. Exhibit 14 provides an example of a concise outline of internal control:

Exhibit 14

The system of internal control is based on a framework of management information, administrative processes including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Board of Management.
- Clear definitions of the responsibilities of, and the authority to delegate to the Depute Principal and other members of the Senior Management Team.
- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets.
- Regular reviews of key performance indicators and business risks and quarterly reviews of financial results involving variance reporting and updates of forecast outturns.
- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board;
- Comprehensive Financial Regulations approved by the Board of Management
- The adoption of formal project management disciplines.

This college provided a clear and concise outline of internal control

38. Assurance the college obtains on the effectiveness of its system of internal control comes from the work carried out by internal audit. Most colleges explained the role that internal audit played and stated that it provided an opinion on the effectiveness of the system.

39. Some colleges enhanced the usefulness of the disclosure by including a summary of the results of internal audit reviews and provided the opinion expressed. Exhibit 15 provides an example:

Exhibit 15

The internal auditor has expressed the opinion that the Regional Board of North East Scotland College did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time internal audit work was undertaken and that the College has proper arrangements to promote and secure value for money.

This college disclosed the head of internal audits overall opinion.

Assessing significance

40. All governance issues identified should be considered for disclosure in the governance statement. The matters actually included should generally be those that the board of management regularly monitor and discuss because of the magnitude of their potential effect on the college.
41. In preparing the governance statement, the college needs to take a view on whether issues are significant enough to be included within the statement.
42. Exhibit 16 lists the key questions to be answered in judging whether an issue is significant:

Key issues and risks will generally be those that board members regularly monitor.

Exhibit 16

Questions to help decide whether to disclose an issue

Does the issue put a significant programme or project at risk?

Might financial stability, security or data integrity be put at risk?

Might the issue prejudice achievement of the business plan or other priorities?

Could the issue undermine the integrity or reputation of the organisation?

Could this issue have a material impact on the accounts?

Mitigation controls

43. It is helpful to users if an explanation of how the risks are managed or mitigated is included in the governance statement. A few colleges provided an explanation of what they were doing to manage the risks overall in 2017/18. Exhibit 17 provides an example:

Exhibit 17

The Board of Management has overall responsibility for ensuring the effective identification, mitigation and monitoring of strategic risks within the College. The Audit Committee has delegated authority from the Board of Management to approve the Risk Management Policy and to review regular reports from the College Senior Management Team regarding risk.

The College operates a Strategic Risk register which identifies the most significant risks to the College. This register is taken to every meeting of the Audit Committee for comment and challenge. It is also provided annually to the Board of Management.

The Principal is responsible for the maintenance of the College strategic risk register and for ensuring appropriate risk mitigation actions are implemented to address significant risks to College operations and strategic objectives. Senior Management Team members are responsible for establishing controls to mitigate identified risks wherever possible. This information is included on the Strategic Risk Register in summary form.

Risk Management is embedded in the operations of the College. The identification and mitigation of risk is a component in all decision making and is a standing item at all Senior Management Team, Board Committee and Board of Management meetings. The College also operates a risk management system whereby areas of significant risk to the College have their own specific risk register. It is under this approach that an estates risk register was established to support the Falkirk campus project.

Delegation of responsibility for managing the key risks in the risk registers is essential if risk management is to be effective. The risk registers, therefore identify "owners" for each risk.

44. It is also useful if colleges give an indication of the significance of risks after mitigation has been applied. Exhibit 18 provides examples:

Exhibit 18

The most significant financial risks for the College after mitigation are:

- the failure to achieve a balanced budget/delivery of the Financial Recovery Plan;
- medium-term financial sustainability/impact of National Bargaining; and
- the College estate and infrastructure not being fit for purpose due to lack of capital investment.

The following table sets out the six strategic risks for which the underlying risk has been scored as "major". It records the residual risk, with no risks shown as "major" and only three as "significant", following the mitigating actions which have been taken.

Risk	Before mitigation	After mitigation
Failure to achieve institutional sustainability	Major	Significant
College disadvantaged by changes arising from UK leaving European Union	Major	Significant
Industrial Relations Problems	Major	Significant
Legal actions; serious accident; incident or civil/criminal breach	Major	Minor
Disasters – eg Fire, MIS Failure, Failure of Emergency Procedures	Major	Minor
Breach of data security / data protection*	Major	Minor

This college explained the most significant risks after mitigation

This college set out the impact of mitigation on each risk

Action plan

45. The governance statement should highlight the areas to be improved and importantly how this is to be actioned. It is important that the governance statement includes an action plan which:

- covers all significant issues
- shows who is responsible for each action and in what timescale.

Issues identified in our review of whether the governance statement explained what worried the board:



Most colleges did not disclose the opinion of the head of internal audit on internal control

Colleges did not include an action plan

Most colleges did not disclose any risks

Most colleges described the risk management processes without providing a clear assessment of effectiveness

Points to consider when explaining what worries the board



Be sufficiently specific so that users can understand why risks are important

Include a clear assessment of whether governance arrangements are fit for purpose

Consider all governance issues identified but disclose and explain only those that are considered significant

Describe the actions to mitigate key risks

Include an action plan

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Part 3

Cut the clutter

46. Governance statements should be brief, focussed and avoid clutter. Clutter is immaterial disclosures that inhibit the ability of users to identify and understand relevant information.

Clutter is immaterial disclosures that inhibit the ability to identify and understand relevant information

Comprehensive and concise

47. The governance statement should be comprehensive, but it should also be concise. There does not have to be a tension between these two requirements.
48. Comprehensiveness reflects the breadth of information that should be included rather than the depth of information. The governance statement does not need to cover all possible matters in detail to be considered comprehensive. It should include the information that is necessary for an understanding of the governance arrangements of the college. There is a risk that the longer governance statements highlighted in part 1 include too much unnecessary information leading to the main messages being lost.
49. Conciseness is achieved through the efficient communication of all significant information. Colleges should not confuse conciseness with excessive brevity in the level and type of information provided. There are risks that the shorter governance statements highlighted in part 1 are overly brief and so do not include all the necessary information.

Relevance of disclosures

50. Colleges should take care to ensure that all the information included in the governance statement is relevant to its circumstances.
51. Boiler-plate wording refers to generic disclosure which could apply to any body that gives no additional useful information to users of the accounts. While taking standard wording from another source can be of assistance, a college should take care to tailor the wording to its specific circumstances.

Relevance is a fundamental qualitative characteristic of financial information

Materiality of disclosures

52. Financial reporting is not an end in itself and the information to be included in the governance statement should be determined by the needs of users. Only information that is material to users of the accounts should be included in the governance statement. Materiality is an aspect of relevance that is specific to each college based on the nature or magnitude of the effect of the information, judged in the particular circumstances.
53. This requires the board of management to apply judgement based on their assessment of the relative importance of the matter to the college.
54. Immaterial information should be excluded as it can obscure the key messages and impair understandability.

Materiality is an entity-specific aspect of relevance

Duplication

55. The appropriate use of cross-referencing (explained in part 1) should help to avoid unnecessary duplication. Where an item is adequately addressed in

one part of the annual report and accounts it can be included elsewhere by cross-reference.

56. For example, the accounts direction requires an explanation of the adoption of the going concern basis in the performance report but also suggests confirmation in respect of going concern in the governance statements. Most colleges included a reference in only one place.

Use of signposting

57. Colleges should avoid excessive wordy descriptions particularly where a weblink would suffice. Signposting is a useful technique that can be used to direct users to complementary information that is not required to meet the disclosure requirements for the governance statement. Signposted information can be located in another component in the annual report and accounts (e.g. an appendix) or elsewhere (e.g. on a website).
58. Some colleges made effective use of signposting in 2017/18 to refer the user to further documents and information available. For example, a few colleges provided a link to the registers of interests for members. Exhibit 19 provides an example:

Signposting to complementary information can reduce the statement length

Exhibit 19

A short biography of each Board Member together with their Register of Interests can be accessed on our website. The following link can be used <https://dundeeandangus.ac.uk/about-us/governance/>

59. However, where hyperlinks are included, colleges should ensure that the version of the annual report and accounts published on their website allows the user to follow these links.

Issues identified in our review of whether the governance statements contained clutter:



Some colleges included lengthy descriptions of a wide range of matters rather than succinctly focussing on key aspects

Some colleges went into excessive detail on certain items

Many colleges appeared to be using boiler-plate wording

Some colleges directed users to other documents but did not provide a hyperlink

Most of the hyperlinks in the governance statement did not work for external users

Points to consider when reducing clutter:



Include the necessary breadth of information in a concise way

Ensure disclosures are relevant to the college

Use judgement to assess the relative importance of relevant information

Consider the appropriate use of signposting to allow the user to access complementary information

Avoid excessive detail about a large number of matters

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Part 4

Clarity

60. The governance statement should provide understandable information and use precise language that explains issues clearly.

Plain language

61. The language used to support and explain the disclosures in the governance statement is fundamental to users' understanding of the information presented. The governance statement should be written in plain language such as in Exhibit 20.

The governance statement should be written in plain language

Exhibit 20

The Annual Internal Audit Report for 2017/18 submitted by the College's internal auditor concluded that, the College has adequate and effective arrangements for risk management, control and governance.

An audit register is used by senior management to periodically review and progress all outstanding recommendations and that is also reviewed by the committee.

GOVERNANCE STATEMENT

Introduction

The College is committed to complying with best practice in all aspects of corporate governance. This summary describes the manner in which the College has applied the principles of the Code of Conduct for Members of the Board of Management of Inverness College UHI, and the 2016 Code of Good Governance for Scotland's Colleges. Their purpose is to help the reader of the financial statements understand how the principles have been applied. It is a condition of the Financial Memorandum with the University of the Highlands and Islands (RSB) that the governing body of Inverness College UHI meets the principles of good governance set out in the 2016 Code of Good Governance for Scotland's Colleges

Use of jargon

62. The excessive use of technical language (i.e. jargon) should be avoided where possible. Where the use of technical terms is necessary, they should be clearly defined and used consistently. Some colleges clearly explained terms which were not obvious to lay persons. Exhibit 21 provides an example:

Exhibit 21

In November 2016, the Board of Management approved a revised Risk Management Policy and Risk Management Procedure, which included reference to Risk Tolerance as well as Risk Appetite. The respective definitions employed are set out in the Policy thus:

"In broad terms, appetite relates to the willingness to seek potential benefits, while tolerance sets limits on acceptable loss in pursuit of these benefits, with reference to the organisation's strength and resilience. The Institute of Risk Management states that: "While risk appetite is about the pursuit of risk, risk tolerance is about what an organisation can actually cope with."⁵ In short, the terms relate to whether an organisation is respectively "willing" and "able" to take the risk, or sustain the potential consequences of the risk.

Clear messages

- 63.** Governance statements should be written so that messages are conveyed clearly, particularly when important assurances are being given. The overall evaluation of the effectiveness of corporate governance should be clear in respect of the extent of assurance being provided. The use of vague or ambiguous language does not send a clear message about accountability.
- 64.** Exhibit 22 provides an example of a clear statement of compliance with the good governance code and another example clearly explaining an issue of non-compliance in accordance with the accounts direction:

Exhibit 22

The College complies with all the principles of the 2016 Code of Good Governance for Scottish Colleges, and it has complied throughout the year ended 31 July 2018.

Statement of Compliance

The College complies with all the principles of the 2016 Code of Governance for Scottish Colleges with the exception of the role of the Secretary to the Board. The Code of Good Governance states: "The board secretary may be a member of the senior management team in their board secretary capacity, but they cannot hold any other senior management team position at the same time."

The Board of Management have appointed the Vice Principal People and Performance as Secretary to the Board, who reports directly to the Chair in relation to their Board Secretary duties, in order to prevent any conflicts of interest. The Board is satisfied with this arrangement, noting that it is not unusual in either the public or private sectors. The Board of Management have no current plans to change this arrangement.

- 65.** Colleges should avoid qualifying phrases such as compliance 'in all material respects' or 'to the extent applicable' without explain the areas of non-compliance and how they are to be addressed. Alternatively, if the non-compliance is genuinely not material and therefore there are no plans to address it, a qualifying phrase is unnecessary and misleading.
- 66.** It may be clearer for users of the accounts if 'nil return items' (i.e. instances where there are no incidents of a required event) are explicitly reported as such. For example, nine colleges disclose the fact there were no data related incidents in 2017/18. It is assumed that the remaining colleges also had no such incidents, but a brief explicit statement removes any doubt.

Issues identified in our review of whether the governance statement was clear



Jargon was prevalent in many governance statements but some colleges did not explain it

It was not always clear which governance code the college was reporting compliance with or whether there was full compliance for the whole year

Points to consider when providing a clear explanation of governance include



Use plain language

Avoid using jargon, or explain it where it cannot be avoided. Consider providing a glossary of key terms

Avoid boiler plate wording and make sure standard wording is tailored to the circumstances of the college

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Part 5

Summarise

67. In order to highlight the key messages, items should be reported at an appropriate level of aggregation. Tables of summarised information should be supported by accompanying narrative.

Aggregation to appropriate level

68. The governance statement should not include so much detail that the main messages are lost. It is helpful if information is aggregated to an appropriate level as this helps users to see key themes without getting lost in excessive detail.
69. Exhibit 23 provides an example:

Items should be reported at an appropriate level of aggregation.

Exhibit 23

Attendance at the relevant meetings throughout the year was as follows:

• Board of Management	85%	(2016/17: 73%)
• Audit	85%	(2016/17: 77%)
• Finance and Resources	88%	(2016/17: 94%)
• Human Resources	100%	(2016/17: 100%)
• Development	95%	(2016/17: 64%)

Infographics

70. The method of presentation can significantly affect the understandability of information in the governance statement. The most appropriate method of presentation will depend on the nature of the information but, in addition to narrative, may include tabular, graphical or pictorial methods.
71. Exhibit 24 illustrates a committee structure being described diagrammatically:

Infographics can improve presentation and should be supported by narrative.

Exhibit 24



Finance and General Purposes Committee

The Finance and General Purposes Committee advises the Board on key issues of the College's financial and resource management. It ensures that all areas of the College's financial performance, procurement and information technology are subject to best practice controls and review, ensuring solvency, sustainability, efficiency and innovation.

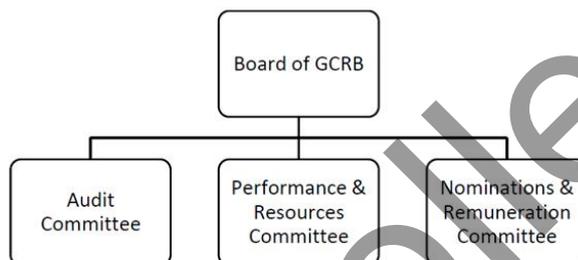
It also considers matters of a general nature that do not fall to other standing sub-committees. This Committee normally meets four times a year, and in addition meets once a year with the Audit Committee to consider the annual Financial Statements.

Disclosing each committee's remit under a sub heading improved the clarity of the disclosure

72. In most cases tables and other infographics should be supported by accompanying narrative. It is important that the narrative is consistent with the message conveyed by the infographic.
73. Exhibit 25 provides an example where narrative was used to explain a diagram:

Exhibit 25**Governance Structure**

The following diagram outlines GCRB's governance structure:



The Board of GCRB held five formal meetings during the 2017-18 academic year. Two further meetings have been held so far within the 2018-19 academic year. The Nominations & Remuneration Committee met on six occasions, the Audit Committee four times and the Performance & Resources Committee five times.

74. As a rule, tables should not be of such a length as to span a number of pages. Where necessary, larger tables can be split into a number of smaller separate tables.
75. The use of innovative presentation techniques such as infographics can help to communicate information in an easy to access and attractive manner. The use of colour and pictures can help to engage readers. Information that can helpfully be presented graphically includes:
- actions to mitigate risks
 - actions plans
 - committee structures and governance frameworks.

Case studies

76. The use of case studies can be an effective way to engage the user and to highlight issues and action to address them. Exhibit 26 provides an example of a college making use of a case study to give the user an insight greater insight.

Exhibit 26

The Forth Valley College agreed Estates strategy comprises a vision for three new campuses. The first in Alloa, the second in Stirling and a third in Falkirk. A significant investment has already taken place in phases 1 and 2 of this strategy with Alloa and Stirling successfully completing on programme and within budget in 2011 and 2012 respectively. The new Falkirk Campus is planned to open in November 2019.

Significant progress has been made toward the realisation of the new Falkirk campus, with the submission of the final Decision Point 4 report to the Scottish Funding Council and Scottish Government and approval received on 4 October 2017. Following this approval, the appointment of the main contractor Balfour Beatty occurred on 11 October 2017.

The new campus plans include servicing the current Falkirk Campus curriculum and will accommodate over 11,000 students of which almost 2,000 will be full time. The New Falkirk Campus will be 20,720 sqm and will incorporate state of the art and flexible teaching accommodation, as well as low carbon initiatives, such as Photovoltaics, a Ground Source Heat Pump system, Combined Heat and Power boilers, along with other sustainable functions required to meet the Building Research Establishment Environmental Assessment Method (BREEAM) standard.

Issues identified in our review of whether the governance statement summarised information



Our review did not identify any use of infographics beyond basic tables

Some tables spanned a number of pages and were difficult to follow

Most colleges did not make use of case studies

Points to consider when summarising your governance arrangements



Aggregate information at an appropriate level to highlight key messages

Consider which information could be better presented using tables or more innovative infographics

Consider using case studies to add valuable insight

Part 6

Explain change

77. The governance statement should explain what was done in response to issues reported in the prior year.

Following up prior year action plan

78. It is important that colleges properly account for actions taken to address previous issues. The governance statement should provide a full explanation of the progress on implementing action plans included in previous years.

Changes in governance arrangements

79. It is helpful to readers if changes in the governance structure are highlighted and explained. Exhibit 27 provides an example:

Exhibit 27

Additionally, in recognition of the significant developments as the Falkirk Campus Project Board progresses towards the realisation of the new Falkirk Headquarters Campus, an additional committee has been established. While the Falkirk Campus Project Board is separate from the main Board of Management structure, three non-executive Board Members serve on this Board to ensure adequate representation from the main Board of Management

Changes in governance statement

80. Colleges should be striving to continuously improve the quality of their governance statements. The prior year governance statement should be seen as a base level on which to improve rather than a standard to replicate. It is expected that colleges should be able to demonstrate a marked improvement in their governance statements compared with the previous year.
81. Each year's governance statement should be written specifically for the year under consideration. The relevance of a matter may vary relative to other matters over time. As a minimum, there should be obvious differences to reflect new risks and challenges, enhancements in governance arrangements, and changes in priorities. Our review therefore also considered the 2016/17 governance statements to provide a benchmark.

A college should aim for a marked improvement in its governance statement

Issues identified in our review of whether the governance statement explained change:



Most colleges did not provide any update on issues raised in previous years

Most governance statements did not show a noticeable improvement or development between 2016/17 and 2017/18

Points to consider when explaining change



Provide a full explanation of the progress on implementing previous year action plans

Highlight any changes in governance arrangements

Challenge the content and presentation of the governance annually

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Good practice note on improving the quality of college annual report and accounts – governance statements

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